

I believe if you do vote for this amendment, you will be happy you did. At the end of the day you do not want to just try to make sure these folks are happy who are outside the hallway out here, adding up votes trying to figure whether this amendment is going to pass or fail. You want the consumers and the citizens and the taxpayers and the voters of your State to be happy. And the only way they are going to be happy, the only way they are going to say this thing works, is if we get real competition at the local level. With real competition at the local level, there will be choice and there will be decreases in price and increases in quality. And that is the only way in my judgment that S. 652 is going to produce the benefits that have been promised.

Mr. PRESSLER. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from South Dakota controls 3½ minutes.

Mr. PRESSLER. Mr. President, I yield myself 2½ minutes. I yield the last minute to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. I conclude this by saying I love my colleague from South Carolina, Senator THURMOND. This appears to be a difference over jurisdiction. I plead with my colleagues, do vote this amendment down. It is a gutting amendment. It will add more bureaucracy. It goes against the procompetitive, deregulatory nature of the bill.

I respect my colleague from South Carolina so much, but I see this as a jurisdictional difference. On this occasion I will have to vote to table the Thurmond amendment and continue to love the senior Senator from South Carolina.

I yield to the Senator from Alaska for the last word.

Mr. STEVENS. Mr. President, I believe this is a balanced bill we have here now. The Department of Justice has a statutory consultative role. If it has concerns, the FCC will hear those concerns. The basic thing about this bill is it gets the telecommunications policy out of the courts and out of the Department of Justice and back to the FCC to one area. We hope to transition sometime so we do not even have them involved.

I oppose striking the public interest section because it upsets the balance we have worked out. It upsets the balance in favor of the wrong parties.

I urge support of this motion of the chairman to table.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, how much time remains?

The PRESIDING OFFICER. The proponents of the amendment have a minute and 35 seconds. The opponents of the amendment have a minute and 58 seconds.

Mr. THURMOND. I will use 30 seconds. The Senator can take the rest.

Mr. DORGAN. Mr. President, if I might take just 1 minute and ask unanimous consent Senator FEINGOLD be added as a cosponsor to the Thurmond-Dorgan second-degree amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, let me again say, those who say this upsets the balance, this adds layers of bureaucracy, this adds complexity—in my judgment, respectful judgment, they are just wrong. They are just wrong.

This does not have balance unless it has balance in the public interest on behalf of the American consumer making certain the free market is free. Free market and competition are wonderful to talk about but you have to be stewards, it seems to me, to make sure the free market is free. The only way to do that is to vote for this amendment.

So vote against tabling the Thurmond-Dorgan amendment and give the Justice Department the role they should have to do what should be done for the consumers of this country.

Mr. President, I reserve the remainder of the time.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to say to the Senate this. This amendment protects consumers and enhances competition. It does not gut this bill. That is an error. It provides for the Department of Justice to carry out the antitrust analysis of Bell company applications to enter long distance. This is the special expertise of the Department of Justice. My amendment limits the FCC to reviewing other areas and not duplicating DOJ. I am confident that this will reduce bureaucracy and eliminate redundancy of Government between roles of the DOJ and FCC. In other words, it leaves with the FCC to determine issues in which they have expertise. It leaves to the Justice Department determinations in which they have expertise. And that is the way it ought to be.

The PRESIDING OFFICER. The Senator from South Dakota has 2 minutes—a minute and 58 seconds.

Mr. PRESSLER. Mr. President, I yield the remainder of my time.

Mr. THURMOND. Mr. President, I yield any time I have left.

Mr. PRESSLER. Mr. President, I make a motion to table the Thurmond amendment, No. 1265.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 57, nays 43, as follows:

[Rollcall Vote No. 250 Leg.]

YEAS—57

Abraham	Faircloth	Lott
Ashcroft	Ford	Lugar
Baucus	Frist	Mack
Bennett	Gorton	McCain
Biden	Gramm	McConnell
Breaux	Grams	Moynihan
Brown	Gregg	Murkowski
Bryan	Hatch	Murray
Burns	Hatfield	Nickles
Byrd	Heflin	Nunn
Campbell	Helms	Packwood
Chafee	Hollings	Pressler
Coats	Hutchison	Roth
Cochran	Jeffords	Santorum
Coverdell	Johnston	Simpson
Craig	Kassebaum	Smith
Dole	Kempthorne	Stevens
Domenici	Kerry	Thomas
Exon	Kyl	Warner

NAYS—43

Akaka	Glenn	Pell
Bingaman	Graham	Pryor
Bond	Grassley	Reid
Boxer	Harkin	Robb
Bradley	Inhofe	Rockefeller
Bumpers	Inouye	Sarbanes
Cohen	Kennedy	Shelby
Conrad	Kerrey	Simon
D'Amato	Kohl	Snowe
Daschle	Lautenberg	Specter
DeWine	Leahy	Thompson
Dodd	Levin	Thurmond
Dorgan	Lieberman	Wellstone
Feingold	Mikulski	
Feinstein	Moseley-Braun	

So the motion to lay on the table the amendment (No. 1265), as modified, was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Although my amendment was tabled, we will be back. It is very important to have an up and down vote on this amendment. I have filed my amendment at the desk, and it will be in order after cloture. We will then get to the direct vote on this important amendment.

AMENDMENT NO. 1264 WITHDRAWN

The PRESIDING OFFICER. Under the previous order, the underlying amendment has been withdrawn.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until 2:15 p.m.

Thereupon, at 12:55 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. KYL).

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

AMENDMENT NO. 1275

(Purpose: To provide means of limiting the exposure of children to violent programming on television, and for other purposes)

Mr. CONRAD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD] proposes an amendment numbered 1275.

Mr. CONRAD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 146, below line 14, add the following:

#### TITLE V—MISCELLANEOUS

##### SEC. 501. SHORT TITLE.

This title may be cited as the "Parental Choice in Television Act of 1995".

##### SEC. 502. FINDINGS.

Congress makes the following findings:

(1) On average, a child in the United States is exposed to 27 hours of television each week and some children are exposed to as much as 11 hours of television each day.

(2) The average American child watches 8,000 murders and 100,000 acts of other violence on television by the time the child completes elementary school.

(3) By the age of 18 years, the average American teenager has watched 200,000 acts of violence on television, including 40,000 murders.

(4) On several occasions since 1975, The Journal of the American Medical Association has alerted the medical community to the adverse effects of televised violence on child development, including an increase in the level of aggressive behavior and violent behavior among children who view it.

(5) The National Commission on Children recommended in 1991 that producers of television programs exercise greater restraint in the content of programming for children.

(6) A report of the Harry Frank Guggenheim Foundation, dated May 1993, indicates that there is an irrefutable connection between the amount of violence depicted in the television programs watched by children and increased aggressive behavior among children.

(7) It is a compelling National interest that parents be empowered with the technology to block the viewing by their children of television programs whose content is overly violent or objectionable for other reasons.

(8) Technology currently exists to permit the manufacture of television receivers that are capable of permitting parents to block television programs having violent or otherwise objectionable content.

##### SEC. 503. ESTABLISHMENT OF TELEVISION VIOLENCE RATING CODE.

(a) IN GENERAL.—Section 303 (47 U.S.C. 303) is amended by adding at the end the following:

"(v) Prescribe, in consultation with television broadcasters, cable operators, appropriate public interest groups, and interested individuals from the private sector, rules for rating the level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

"(1) signals containing ratings of the level of violence or objectionable content in such programming; and

"(2) signals containing specifications for blocking such programming."

(b) APPLICABILITY.—The amendment made by subsection (a) shall take effect 1 year after the date of the enactment of this Act, but only if the Commission determines, in consultation with appropriate public interest groups and interested individuals from the private sector, on that date that television broadcast stations and cable systems have not—

(1) established voluntarily rules for rating the level of violence or other objectionable content in television programming which rules are acceptable to the Commission; and

(2) agreed voluntarily to broadcast signals that contain ratings of the level of violence or objectionable content in such programming.

##### SEC. 504. REQUIREMENT FOR MANUFACTURE OF TELEVISIONS THAT BLOCK PROGRAMS.

(a) REQUIREMENT.—Section 303 (47 U.S.C. 303), as amended by this Act, is further amended by adding at the end the following:

"(w) Require, in the case of apparatus designed to receive television signals that are manufactured in the United States or imported for use in the United States and that have a picture screen 13 inches or greater in size (measured diagonally), that such apparatus—

"(1) be equipped with circuitry designed to enable viewers to block the display of channels during particular time slots; and

"(2) enable viewers to block display of all programs with a common rating."

(b) IMPLEMENTATION.—In adopting the requirement set forth in section 303(w) of the Communications Act of 1934, as added by subsection (a), the Federal Communications Commission, in consultation with the television receiver manufacturing industry, shall determine a date for the applicability of the requirement to the apparatus covered by that section.

##### SEC. 505. SHIPPING OR IMPORTING OF TELEVISIONS THAT BLOCK PROGRAMS.

(a) REGULATIONS.—Section 330 (47 U.S.C. 330) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by adding after subsection (b) the following new subsection (c):

"(c)(1) Except as provided in paragraph (2), no person shall ship in interstate commerce, manufacture, assemble, or import from any foreign country into the United States any apparatus described in section 303(w) of this Act except in accordance with rules prescribed by the Commission pursuant to the authority granted by that section.

"(2) This subsection shall not apply to carriers transporting apparatus referred to in paragraph (1) without trading it.

"(3) The rules prescribed by the Commission under this subsection shall provide performance standards for blocking technology. Such rules shall require that all such apparatus be able to receive transmitted rating signals which conform to the signal and blocking specifications established by the Commission.

"(4) As new video technology is developed, the Commission shall take such action as the Commission determines appropriate to ensure that blocking service continues to be available to consumers."

(b) CONFORMING AMENDMENT.—Section 330(d), as redesignated by subsection (a)(1), is amended by striking "section 303(s), and section 303(u)" and inserting in lieu thereof "and sections 303(s), 303(u), and 303(w)".

Mr. CONRAD. Mr. President, I rise today to offer an amendment to the telecommunications bill, which is a bill that is designed to do two things. One, it is designed to empower parents to help make the choices of what their children see on television coming into their homes.

Mr. President, several years ago, I became very involved in the issue of violence in the media, because I became convinced that violence in the media is contributing to violence in society; it is contributing to violence on the

streets of America. So I worked to form a national organization, which is now some 37 national organizations, all involved in an attempt to reduce violence in the media. This is a national coalition that involves organizations like the American Medical Association, the PTA, the National Council of Churches, the sheriffs, police chiefs, the school psychologists, the school principals, the National Education Association—37 national organizations who are committed to reducing violence in the media.

It is for that reason that I offer what I call the Parental Choice and Television Act of 1995.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

#### AMENDMENT NO. 1347 TO AMENDMENT NO. 1275

(Purpose: To revise the provisions relating to the establishment of a system for rating violence and other objectionable content on television)

Mr. LIEBERMAN. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. LIEBERMAN] proposes an amendment numbered 1347 to amendment No. 1275.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, strike out line 12 and all that follows through page 4, line 16, and insert in lieu thereof the following:

##### SEC. 503. RATING CODE FOR VIOLENCE AND OTHER OBJECTIONABLE CONTENT ON TELEVISION.

(a) SENSE OF CONGRESS ON VOLUNTARY ESTABLISHMENT OF RATING CODE.—It is the sense of Congress—

(1) to encourage appropriate representatives of the broadcast television industry and the cable television industry to establish in a voluntary manner rules for rating the level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

(A) signals containing ratings of the level of violence or objectionable content in such programming; and

(B) signals containing specifications for blocking such programming;

(2) to encourage such representatives to establish such rules in consultation with appropriate public interest groups and interested individuals from the private sector; and

(3) to encourage television broadcasters and cable operators to comply voluntarily with such rules upon the establishment of such rules.

(b) REQUIREMENT FOR ESTABLISHMENT OF RATING CODE.—

(1) IN GENERAL.—If the representatives of the broadcast television industry and the cable television industry do not establish the rules referred to in subsection (a)(1) by the end of the 1-year period beginning on the date of the enactment of this Act, there shall be established on the day following the end

of that period a commission to be known as the Television Rating Commission (hereafter in this section referred to as the "Television Commission"). The Television Commission shall be an independent establishment in the executive branch as defined under section 104 of title 5, United States Code.

(2) MEMBERS.—

(A) IN GENERAL.—The Television Commission shall be composed of 5 members, of whom—

(i) three shall be appointed by the President, as representatives of the public by and with the advice and consent of the Senate; and

(ii) two shall be appointed by the President, as representatives of the broadcast television industry and the cable television industry, by and with the advice and consent of the Senate;

(B) NOMINATION.—Individuals shall be nominated for appointment under subparagraph (A)(i) not later than 60 days after the date of the establishment of the Television Commission.

(D) TERMS.—Each member of the Television Commission shall serve until the termination of the commission.

(E) VACANCIES.—A vacancy on the Television Commission shall be filled in the same manner as the original appointment.

(2) DUTIES OF TELEVISION COMMISSION.—The Television Commission shall establish rules for rating the level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

(A) signals containing ratings of the level of violence or objectionable content in such programming; and

(B) signals containing specifications for blocking such programming.

(3) COMPENSATION OF MEMBERS.—

(A) CHAIRMAN.—The Chairman of the Television Commission shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay payable for level IV of the Executive Schedule under section 5314 of title 5, United States Code, for each day (including traveltime) during which the Chairman is engaged in the performance of duties vested in the commission.

(B) OTHER MEMBERS.—Except for the Chairman who shall be paid as provided under subparagraph (A), each member of the Television Commission shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay payable for level V of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including traveltime) during which the member is engaged in the performance of duties vested in the commission.

(4) STAFF.—

(A) IN GENERAL.—The Chairman of the Television Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the commission to perform its duties. The employment of an executive director shall be subject to confirmation by the commission.

(B) COMPENSATION.—The Chairman of the Television Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(5) CONSULTANTS.—The Television Commission may procure by contract, to the extent

funds are available, the temporary or intermittent services of experts or consultants under section 3109 of title 5, United States Code. The commission shall give public notice of any such contract before entering into such contract.

(6) FUNDING.—Funds for the activities of the Television Commission shall be derived from fees imposed upon and collected from television broadcast stations and cable systems by the Federal Communications Commission. The Federal Communications Commission shall determine the amount of such fees in order to ensure that sufficient funds are available to the Television Commission to support the activities of the Television Commission under this subsection.

Mr. LIEBERMAN. Mr. President, at this point, I will yield the floor and look forward to hearing the remainder of the statement of my friend and colleague from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank my friend. He has an amendment he is offering in the second degree to refine my amendment. We have worked closely together on the underlying amendment. I appreciate very much the second-degree amendment he is offering to make a further refinement that I think will improve the underlying amendment. I greatly appreciate the hard work the Senator from Connecticut has put forward on this issue.

As I was saying, several years ago, I became deeply involved in this subject. Frankly, I became involved because of an incident involving my wife when she was attacked outside of our home here in Washington, DC.

At that time, I concluded that I ought to do everything I can do to help reduce violence in society. There are many things that contribute to violence in this country—drugs, gangs, and a whole series of issues that relate to people that do not have an economic chance. Also, we have to get tough on crime in this country. We have to insist that those who commit crimes do their time. They have to be punished. They have to know they are going to be punished and that punishment ought to be swift and severe.

In addition to all of those things, I also am persuaded that violence in the media is contributing to violence in our society. That is not just my conclusion, that is the conclusion of the vast majority of people in this country. That is the conclusion of the American Medical Association, who, as I indicated earlier, is one of the charter members of the national coalition I have put together on this question of violence in the media.

Mr. President, what this amendment does is really two things. It provides that television manufacturers will include in new television sets, at a time that they, in consultation with the FCC, determine is the workable time, to require a choice chip in the televisions. Just as we have chips in the television now that provide for closed captioning, we would provide choice chips in new televisions, which would be able to empower parents to exclude

programming that comes into their homes, programming that they find objectionable—not any Member of Congress, not the FCC, not anybody else, but what parents find objectionable or something they do not want to come into their homes. These choice chips that are now under development—in some cases, already well-developed—would enable parents to be involved in their children's viewing habits.

As we know, children are watching, in some cases, 27 hours of television a week—27 hours of television a week. And all too often they are seeing things that their parents find objectionable. They are watching things that their parents would like to prevent them from watching.

Mr. President, many of us believe that parents ought to have that right. They ought to be able to determine what comes into their homes. They ought to be able to determine what their kids are watching. They ought to be able to determine what they find objectionable, not any Government censor—what the parents find objectionable.

So this legislation would create that opportunity. I just point to this USA Weekend Poll that was done from June 2 through June 4. These survey results are very interesting. Ninety-six percent are very or somewhat concerned about sex on TV; 97 percent are very or somewhat concerned about violence on television. When it comes to the two issues included in this amendment, overwhelmingly, they say: Let us do it. Let us have a choice chip in the television set at a cost of less than \$5 per television set. In fact, we have just been told that when it is in mass production, it may cost as little as 18 cents per television set.

Should V-chips or choice chips be installed in TV sets so parents could easily block violent programming? That was a question in the USA Today poll. The American people responded "yes" 90 percent. Mr. President, 90 percent want to have the opportunity to choose what comes into their homes.

On the second matter that is in this amendment, that is the creation of a rating system so that parents can have some idea before the programming airs what the programming includes, the question was asked: Do you favor a rating system similar to that used for movies? Yes, 83 percent; no, 17 percent.

Overwhelmingly, the American people want choice chips in television, and they want a rating system.

Mr. President, we heard objections from some that the rating system ought not to be something determined in the first instance by Government. The Government should not make this decision. We have heard that complaint. We have heard that criticism. We heard that suggestion.

In the amendment that I am offering, we give the industry, working with all interested parties, parent-teacher groups, school administrators, other interested parties, churches, and others, a 1-

year window of opportunity to make a decision on what that rating system ought to be. We give the industry, working with all interested parties, a chance, a 1-year chance. Let them decide what the rating system should look like.

I might just say, Mr. President, we gave another industry a chance to do that. We gave the recreational software industry a chance to create a rating system. They went out and did it.

Here is the rating system they came up with. On violence, their advisory has a thermometer with a 1, 2, 3, 4 scale. We can tell what is the level of violence in that program. We can tell on nudity/sex in the same way. That is the rating. And the same way with respect to language that is used.

In Canada, the industry, on a voluntary basis, established a rating system. They did it. It is in place. It is working. We should give our industry, working in cooperation and in conjunction with all other interested parties—with the parents, with the church leaders, with all others in the community who are interested—a chance to establish a rating system so that parents and other viewers have a chance to know just what is this program going to be like with respect to violence? What is it going to be like with respect to sexual activity? What is it going to be like with respect to language?

Then let the viewers decide what it is they want to watch. Let the parents decide what the children are going to be exposed to.

Mr. President, I believe this is an important question and an important issue. When I started on this in North Dakota, I called the first meeting, and I was expecting 10 or 15 people to show up. The place was packed. We had every kind of organization represented there in my hometown of Bismarck, ND.

One of the things they decided to do was have a national petition drive, to send to the leaders of the media a request that they tone down the violence that is in the media, that is in television, that is on the movies. Overwhelmingly at that meeting, individual after individual, stood up and said, "You know, I am absolutely persuaded that violence in the media is contributing to violence on our streets."

I remember very well a school principal standing up in that meeting. He had been a school principal for 20 years in North Dakota. He said, "Senator CONRAD, I have seen a dramatic change in what our children write about when we ask them to do an essay." He said, "It is so different now than when I started in schools 20 years ago. Twenty years ago people would write about their experiences on the farm; they would write about their experiences in a summer job; they would talk about going to camp in the summer. Today when you ask them to write an essay, they write about what they have seen on television. All too often, the images are images of violence and brutality."

He said, "Senator, this is affecting our children. It is affecting the way they see life."

We, as adults, ought to do something about it. So the question comes before the Senate, what do we do? Do we have censors? Do we set up a censorship system? Not in America. That violates the first amendment. That is not in tune with American values.

What we can do, what we should do, what we must do, is empower parents, give them a chance to intercept this process, give them a chance to decide what their kids are going to be exposed to. We already know the children in this country, by the time they are 12 years old, have witnessed 8,000 murders, have witnessed 100,000 assaults. Everyone knows that has an effect on those children.

Mr. President, we have gone to great lengths to make sure that what we are offering here today is a voluntary system, voluntary in the sense that we give the industry a chance to establish that rating system, voluntary in the sense that the parents are the ones to decide what comes into their homes for viewing by their children.

Again, I ask unanimous consent to have printed for the RECORD a series of letters from organizations supporting this legislation: the National Foundation to Improve Television; the American Academy of Pediatrics, the American Medical Association Alliance, the National Alliance for Nonviolent Programming, the National Coalition on Television Violence, the National Association of Secondary School Principals, Parent Action, the National Association for the Education of Young Children, the National Association of Elementary School Principals, the American Academy of Child and Adolescent Psychiatry. All of these organizations are supporting this amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL FOUNDATION  
TO IMPROVE TELEVISION,  
*Boston, MA.*

STATEMENT OF WILLIAM S. ABBOTT, PRESIDENT OF NATIONAL FOUNDATION TO IMPROVE TELEVISION, IN SUPPORT OF SENATOR CONRAD'S PARENTAL "CHOICE CHIP" AMENDMENT, JUNE 12, 1995

I am the president of the National Foundation to Improve Television—a nonprofit educational foundation with an exclusive focus on remedies to the problem of television violence. We have worked for 25 years to alleviate the impact that television violence has on young people. On behalf of the millions of children and parents who are desperately calling for help to rid their homes of brutalizing images of murder and mayhem, we applaud Senator Conrad's introduction of this amendment.

The introduction of this amendment is an important step in empowering parents with the help they need to protect their children from the scientifically proven harmful effects of television violence. This amendment does not signal that the government is becoming involved in dictating program content. This amendment does not tell the entertainment industry what kinds of stories they can and cannot tell nor does it trample

on anyone's First Amendment rights or creative freedoms.

Senator Conrad's amendment requires the installation of a "choice chip" in all television sets. While its critics in the TV industry have labelled it a "blocking chip", it is important to remember that this chip merely identifies a program as containing harmful violence. It is the individual parent who must actually elect to block violent programs from coming into their home. The introduction of this "choice chip"—and the development of an accompanying "violent program ratings system" devised by the television industry—will be a big step forward for two reasons. First, it will give all parents—including those who must work long hours outside the home and, therefore, cannot constantly supervise their children's viewing—the assistance they need to shield their children from harmful programming, in effect a long-overdue right of self-defense. A concerned parent need only activate the "choice chip" and he or she can be certain that the television will no longer assault their children with images of "Dirty Harry", "The Terminator" and the like. Second, it will unquestionably result in many advertisers pulling their advertising budget from programs with glamorized or excessive violence. Few advertisers will spend their precious dollars running commercials on programs which millions of Americans will have elected to tune out of their homes.

The introduction of this new parental choice technology is not revolutionary. It is simply an extension of the current opportunities many parents and viewers have to use their television's cable converter to block out particular cable channels either completely or during a particular time of the day. With this new capability, parents would simply be further empowered to block out all programming which the industry has determined contain harmful depictions of violence. This violence-specific blocking capability, rather than channel-specific capability, is essential when we recognize that in a very short time parents will be confronted with 500 or more channels entering their homes.

The industry's response, in order to stave off this new form of parental empowerment which will cost it advertising dollars if they continue to program glamorized violence, will be that such a system is too rigid, that it will impact programs ranging from "Texas Chainsaw Massacre" to "Roots". This is, of course, not the case. This plan leaves it to the industry to determine which programs would be tagged with the violence signal. We would trust that the industry would exercise its good judgment in attaching such signal. "I Spit on Your Grave" will warrant the signal, which the "Civil War" documentary, for example, will not. The television industry is currently placing violence warnings on particular programs which it judges to contain excessive or otherwise harmful violence, so it is clear that it can exercise this kind of judgment if it so chooses.

It has been reported that this new technology would add as little as \$5 to the price of a new television set. Thus, it is empowerment affordable by all. Properly publicized through an ongoing nationwide public service announcement and parental notification campaign, the technology will become increasingly popular over time. Since television has long contended that the "public interest" is simply what interests the public, and that the ultimate responsibility for children's viewing lies with the parents, it should have no quarrel with a mechanism which gives parents the unprecedented opportunity to supervise effectively their children's viewing.

For the last 30 years, the American public has told the television industry to lead, follow or get out of the way with regard to reducing the level of glamorized and excessive violence on television. To date, they have certainly not led the way toward resolving the problem. They clearly haven't followed either—as they continue to program high levels of violence despite growing public anger with the amount of violence on television. Through their overwhelming support for Senator Conrad's parental empowerment proposal, the American people are effectively telling the television industry "Get out of the way"—we're ready to address their problem ourselves. Give us the tools and, with the industry's cooperation, we'll do the job.

AMERICAN ACADEMY OF PEDIATRICS,  
601 THIRTEENTH STREET, NW.,  
Washington, DC, June 13, 1995.

Hon. KENT CONRAD,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR CONRAD: On behalf of the American Academy of Pediatrics, whose 49,000 members are dedicated to promoting the health, safety, and well-being of infants, children, adolescents and young adults, I want to commend you for your strong leadership in the area of children's television. Pediatricians have long been concerned about the effects of television on children—from the lack of educational programs, to the high level of violence which we clearly believe has a role in aggression in children, as well as the continual bombardment of advertisements aimed at them. Children are fortunate to have you working so diligently on their behalf.

While we don't believe that television is solely responsible for all the violence in our society, we do believe that violent programs contribute to the violence in our society. In our practices, pediatricians observe firsthand that such programming tends to make children more aggressive and more apt to imitate the actions they view.

Parents should be responsible for monitoring what their children are viewing. However, over the past years a dramatic alteration of the American family portrait has taken place. To assist families in determining appropriate television programming, we strongly support installation of a microchip in all new televisions to allow parents to block violent programs. This provision will allow parents some degree of control of the programs their children watch—an important option for today's programming environment.

Thank you again for your staunch advocacy in creating a better television environment for America's children. We look forward to working with you on this important legislation.

Sincerely yours,

GEORGE D. COMERCI, M.D.,  
President.

AMERICAN MEDICAL ASSOCIATION  
ALLIANCE, INC.,  
Chicago, IL, June 12, 1995.

The American Medical Association Alliance, Inc., is pleased to join the AMA and other members of the Citizens' Task Force Against TV Violence in wholeheartedly supporting the parental choice amendment to the Telecommunications Competition and Deregulation Act of 1995 (S. 652).

As a national organization of more than 60,000 physicians' spouses, the AMA Alliance fully supports v-chip technology allowing parents and other adults to block programs they deem objectionable, and arming them with a standard violence rating system by which they can make those choices.

As a member of the Citizens' Task Force Against TV Violence, the AMA Alliance is

committed to curbing the effects of violence in the media as one dimension of its nationwide SAVE Program to Stop America's Violence Everywhere.

#### NATIONAL ALLIANCE FOR NON-VIOLENT PROGRAMMING SUPPORTS CONRAD AMENDMENT

The National Alliance for Non-Violent Programming, a network of national women's organizations comprising more than 2700 chapters and 400,000 women, works at the grassroots to counter the impact of media violence without invasion of First Amendment rights. The Alliance's approach, media literacy education as violence prevention, is collaborative and non-partisan. The Alliance lends strong support to the Parental "Choice Chip" Amendment to the Telecommunications Act S 652 to be introduced by Senator Kent Conrad of North Dakota.

Rapidly developing technologies are ensuring greater and greater access to all forms of electronic media. A non-censorial solution to the widely-acknowledged problem of the influence of television violence, Senator Conrad's amendment would provide parents and caregivers with the information to make responsible decisions about children's television viewing and the technology to block programming they consider objectionable.

The Conrad amendment calls on the FCC to act in conjunction with the networks, cable operators, consumer groups and parents to establish a system to rate the level of violence on television. The process itself is therefore inclusive and educational. As consumers informed about what is coming into their homes then utilize circuitry to block out the programs they consider objectionable, parents and caregivers will be able to exercise responsibility rather than feeling uninformed or powerless to bring about positive change.

#### NCTV SUPPORTS CONRAD AMENDMENT

WASHINGTON, DC.—The National Coalition on Television Violence [NCTV] strongly supports the Parental "Choice Chip" Amendment to the Telecommunications Act to be introduced by Senator Kent Conrad of North Dakota.

Dr. Robert Gould, psychiatrist and president of NCTV, commented about the amendment: "The technological explosion has made it impossible for parents to keep abreast of the media: music, movies and television."

With this in mind, Senator Conrad has taken the leadership in the question of Children's Television, especially the effect of violence on our young people. He has worked long and hard to seek reasonable solutions to this pressing problem. He has pulled together an impressive task force of national organizations from which he has sought information and input to a problem which lends itself to wild rhetoric but no action. The amendment that he proposes is both effective and in no way impinges on anyone's freedom of speech as protected by the First Amendment.

Senator Conrad's amendment effectively addresses two of the most pressing problems a parent faces, i.e. how to turn off objectionable programming, and how to know what to turn off. A rating system established by the FCC in conjunction with the TV networks, cable operators, consumer groups and parents will give parents necessary information to make informed judgments as to what is appropriate for their children. The technological equipment will allow parents, in their homes, to choose what they wish their children to watch. Technology will finally allow parents to "If you don't like it, turn it off," as has been smugly suggested by the industry for years. The Parental "Choice Chip" will make this a real possibility.

In supporting this amendment, NCTV draws on years of experience monitoring television violence. While there has been, of late, recognition of the influences of television violence, there is still a serious attempt by the broadcast industry to exempt cartoon violence from the discussion. As a last line of defense, the happy violence of cartoons is still deemed by the broadcast industry as not affecting our children. Now, with the passage of this amendment, we do not have to wait for the broadcast industry to clean up their act in regard to cartoons. Parents who understand and see the effects of cartoon violence will be able to simply block out the offending programs.

Dr. Gould further states, "The rating system is a means of informing parents about what is coming into their homes and the Parental "Choice Chip" empowers them to fulfill their proper role as parents."

THE NATIONAL ASSOCIATION OF  
SECONDARY SCHOOL PRINCIPALS,  
Reston, VA, June 12, 1995.

Hon. KENT CONRAD,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR CONRAD: The National Association of Secondary School Principals [NASSP] and its 42,000 members strongly supports your parental "choice chip" amendment to S. 652, the Telecommunications Competition and Deregulation Act of 1995. Your amendment would greatly enhance the national movement to monitor and ultimately decrease violence in television by:

Enabling parents to program their television sets to block out objectionable or violent television shows; and

Calling on the Federal Communications Commission (FCC) to work with television networks, cable operators, consumer groups, parents, and others to establish a system to rate the level of violence.

Our nation is experiencing an unrivaled period of juvenile violent crime perpetrated by youths from all races, social classes, and lifestyles. Without question, the entertainment industry plays a role in fostering this anti-social behavior by promoting instant gratification, glorifying casual sex, and encouraging the use of profanity, nudity, violence, killing, and racial and sexual stereotyping.

NASSP urges Congress to support the parental "choice chip" amendment, and commends you, Senator Conrad, for your efforts to protect our children and youth from unnecessary exposure to violence in television and the media.

Sincerely,

DR. TIMOTHY J. DYER,  
Executive Director.

PARENT ACTION,  
Baltimore, MD, June 12, 1995.

Hon. KENT CONRAD,  
U.S. Senator,  
Washington, DC.

DEAR SENATOR CONRAD: Parent Action of Maryland, a statewide grassroots organization dedicated to helping parents raise families, endorses your Parental Choice and Television amendment to the Telecommunications Act (S. 652).

Our children are bombarded with negative and violent images giving them a disturbing view of the world in which we live. By the time a child leaves school, he or she will have witnessed more than 8,000 murders and 100,000 acts of violence on television. This unceasing and relentless barrage of violence serves only to inure our children to the results of violence, hinder their ability to

learn and teach them that conflicts can be solved by violence.

Parents, concerned about the effects of television violence on their children, are looking for ways in which they can make good programming choices for their children. Your amendment makes important strides in that direction.

A rating system would provide parents with the information they need to make informed choices of whether a program is appropriate for their children. Installation of a "Choice Chip" in television sets then would allow parents block out the programming they find objectionable. The beauty of your amendment is that it protects the First Amendment and gives parents real power at the same time.

If we truly believe that our children are America's most valuable resource, then we must begin valuing them. We must treasure and respect their minds and development—not assault them with gratuitous violent images.

Sincerely,

K.C. BURTON,  
*Executive Director.*

NATIONAL ASSOCIATION OF  
ELEMENTARY SCHOOL PRINCIPALS,  
*Alexandria, VA, June 12, 1995.*

Hon. KENT CONRAD,  
*U.S. Senate,  
Washington, DC*

DEAR SENATOR CONRAD: The National Association of Elementary School Principals, representing 26,000 elementary and middle school principals nationwide and overseas, is pleased to endorse your Parental Choice Amendment to the Senate telecommunications bill, S. 652.

NAESP supports the effort to create a procedure for establishing a ratings system that involves input from interested parties in the public and private sectors. The violence rating code will help parents to gauge the content of individual television programs and thus make informed decisions about which shows they allow their children to see.

The requirement that a "choice chip" be installed in most new televisions is also an excellent idea. This device will enable parents to have more control over their impressionable children's viewing habits when the parents are unable to monitor television watching directly.

Thank you for your ongoing efforts on this important matter.

Sincerely,

SALLY N. MCCONNELL,  
*Director of Government Relations.*

NAEYC SUPPORTS CONRAD AMENDMENT TO  
PROMOTE PARENTAL CHOICE IN CHILDREN'S  
TELEVISION VIEWING

The National Association of Young Children [NAEYC] strongly supports Senator Kent Conrad's amendment to the telecommunications bill to reduce children's exposure to media violence. The amendment would require television sets to be equipped with technology (V-chip) that allows parents to block objectionable programming and establish a violence rating code. These steps are valuable tools that provide parents greater power in controlling the nature of television programs to which their children are exposed.

The negative impact of media violence on children's development and aggressive behavior is clear. Research consistently identifies three problems associated with repeated viewing of television violence:

1. Children are more likely to behave in aggressive or harmful ways towards others.
2. Children may become less sensitive to the pain and suffering of others.
3. Children may become more fearful of the world around them.

In addition, more subtle effects of over-exposure to television violence can be seen. Repeated viewing of media violence reinforces antisocial behavior and limits children's imaginations. Violent programming typically presents limited models of language development that narrow the range and originality of children's verbal expression at a time when the development of language is critically important.

Of all of the sources and manifestations of violence in children's lives, media violence is perhaps the most easily corrected. NAEYC believes that the Conrad amendment is an important step—long overdue—to reduce children's exposure to media violence, and it does so by empowering parents. We strongly urge passage of this amendment.

AMERICAN ACADEMY OF CHILD  
AND ADOLESCENT PSYCHIATRY,  
*Washington, DC, June 12, 1995.*

Senator KENT CONRAD,  
*U.S. Senate,  
Washington, DC.*

DEAR SENATOR CONRAD: The American Academy of Child and Adolescent Psychiatry is pleased to endorse your telecommunications bill amendment providing for new television sets being required to contain a v-chip that would permit parents to block television programming that includes programming not suitable to their family. The harmful effects of media violence on children and adolescents have been established, and this amendment will empower parents, whether they are at home or not, to monitor and control access to programs. This is one amendment among many, but it is an important commitment by legislators to parents and to child advocates.

WILLIAM H. AYRES, M.D.,  
*President.*

Mr. CONRAD. Mr. President, I would like to add Senator MIKULSKI as a co-sponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. We will be happy to debate this issue and answer questions.

I want to summarize and say this amendment does two things: It provides for the parental choice chips to be in all new televisions, after the FCC and the industry consult on when is the appropriate time for that requirement to go into effect.

Second, we provide for the establishment of a rating system so that parents and other consumers have a chance to know what the programming contains before they watch it. Again, we do that on the basis of allowing the industry, in consultation with all other interested parties, to establish that rating system within 1 year. If they fail to do it within 1 year, we would ask the FCC to become involved in that process. We see no reason that the industry in 1 year could not arrive, on a voluntary basis, at an appropriate rating system.

Mr. President, I thank my colleagues, Senator MIKULSKI and Senator LIEBERMAN, who have worked with me on this issue.

Senator LIEBERMAN now would like to discuss his second-degree amendment.

Mr. LIEBERMAN. Mr. President, I thank the Chair.

Again, I want to thank my friend and colleague from North Dakota, Senator CONRAD, for his leadership on this matter and to tell him how pleased I am to join with him in this effort.

This is a complicated problem, to which there is not a clear, perfect solution. What we know is that the values of our society, of our children, are being threatened, and that the entertainment media too often have sent messages to our kids that are different than what we as parents are trying to send.

I think Senator CONRAD has taken a real leadership role here and stepped out, stepped forward, with a response that will force this Senate, I hope the television industry, and indeed the country, to face the reality of what we and our kids are watching over television and what we can do about it.

Mr. President, the growing public debate over the entertainment industry's contribution to the degradation of our culture could not have come at a more fortuitous time for the Senate Calendar. We are in the process here of considering the most comprehensive rewrite of the Nation's telecommunications law in 60 years. We are making some pivotal decisions about the future of a most powerful force in American culture. That is television.

Up to this point in the floor debate, we have heard mostly about the wonders of the new technology that will be at our disposal, who will control it, and how much it will cost. What has not been heard that much in all the talk about the wiring, however, is discussion of what exactly those wires are going to carry into our homes. Few questions have been asked about the substance of the programs that will be shown over the proverbial 500 channels we expect once the road map of American telecommunications has been digitized. Even fewer questions have been asked about the quality of programs, of products, to which we will be exposing our children.

Now, in many ways, that is understandable. We, as elected officials, are traditionally and understandably reluctant to set limits of any kind on broadcasters, out of deference to their first amendment freedoms we all are committed to.

That is as it should be. Legislators should make laws, not programming decisions. But we also must remember that we are leaders as well as lawmakers, and we must lead in dealing with America's problems. That is why, again, I commend my colleague, Senator CONRAD, for forcing this body to consider and weigh carefully the ramifications of this legislation for America's families and for our moral health.

Why is this so important now? Because at the very moment that new technologies are exploding through the roof, the standards of television programmers are heading for the floor dropping with the velocity of a safe dropped off a cliff in a vintage Road Runner cartoon. Except, instead of



Wile E. Coyote, it is the values and sensibilities of our children that are put in peril.

More and more these days, the television aimed at our sons and daughters either numbs their minds or thumbs its nose at the values most parents are trying to instill in them. Turn on the TV at night, and it's hard to avoid the gratuitous sex and violence that has become the bread and butter of prime time television. The Wall Street Journal recently carried a report detailing how even the 8 p.m. timeslot, once the last bastion of family-oriented shows, has become a hotbed of sex and other spicy fare. That is all the more disturbing when you realize that 35 percent of all American children ages 2 to 11 are watching during that hour.

If you tune in after school, you have your pick of the parade of talk shows edging ever closer toward pornography, often dwelling on abnormality, perversion. On Saturday morning, you will be treated to a litany of glossy toy commercials masquerading as real programming. The industry's regard for children and families has grown so low that one network, it happened to be ABC, recently announced that it was adding a cartoon version of the movie "Dumb and Dumber" to its Saturday morning lineup. Television has now officially, with this act, crossed the threshold from covertly encouraging thoughtless behavior to openly celebrating it.

Given the direction television is heading, and given the overwhelming evidence showing that TV's affinity for violence is a real threat to the development of our children, I think we, as Members of the U.S. Senate, should be seriously concerned with where these new technologies will take us. Do we, as a nation, really want to invest billions into building an information superhighway only to turn it into a cybernetic garbage disposal? Are we making progress if we offer consumers 500 different talk shows rather than just a few dozen? Do we not owe our children and our country more than that?

These are questions we, as a society, must address as we try to make sense of the ongoing information revolution, and as we try to deal with the decline in values in our country and our culture. Technology is not a good in itself, but a tool. The information superhighway could potentially help speed the recovery of America's public education system. It could help elevate our culture and our values. But it also could help accelerate the moral breakdown of our society, and that is something I believe we need to talk about openly as we go about reforming of our telecommunications laws.

I recognize that the issue of content, especially as it relates to television, is a difficult one. In this case, we are faced with contradictory goals—protecting the right of the media to speak freely and independently, and allowing the community to influence them when they go too far. In the past, we have

erred on the side of free speech, which is a testament to our commitment to the first amendment.

But in a great constitutional irony, our determination to avoid any hint of censorship has been so great that we have effectively chilled the discussion about how we might properly, hopefully working with the television industry, improve the quality of television programming. That neglect has come at a heavy cost to society, for we have opened the door to an anything-goes mentality that is contributing significantly to the crisis of values this country is experiencing.

There is no better—or worse, shall I say—example of this mentality than the proliferating legion of sensationalistic talk shows. They are on the air constantly—by my staff's count there were 23 separate hour-long offerings on Washington-area stations in one 9-hour period.

You can see this for yourself, Mr. President, on this chart, with the boxes colored in with the yellow or orange, however it looks from your vantage point, being hour-long talk shows. For the most part, if you turn your TV on to these shows you are not going to find wholesome family fare that you would like your kids to watch.

I should point out, in an expression of appreciation of my staff, that "Regis & Kathie" Lee are not colored in on this chart. Many of these programs air in the afternoon, when many children are home alone because their parents at work, or home with their parents but they parents may be doing something else.

But it is the quality—or lack thereof—that is more disturbing than the quantity. Many of these programs are simply debasing. Their growth has turned daytime television into a waste site of abnormality and amorality, as Ellen Goodman so aptly put it, which is on the its way toward stamping out any last semblance of standards, and shame when those standards are broken, in this country.

The greatest indictment of these shows, as well as the gamut of programming aimed directly or indirectly at children, comes from kids themselves. A recent poll conducted by the California-based advocacy group Children Now showed that a majority of youths between 10 and 16 said that television encourages them to lie, to be disrespectful to their parents, to engage in aggressive and violent behavior, and, perhaps most disturbing of all, to become sexually active too soon.

I am the father of a 7-year-old daughter. When I hear about these programs or see them, I can only wonder if those responsible for this junk appearing on television are parents themselves. Would they allow their children to watch the garbage that they are putting on display?

Mr. President, I have watched my daughter come home and watch one of the cable networks which has a lot of children's material in it. And suddenly

you turn in the afternoon to adolescent fare, which may be OK for adolescents, but certainly is not for a 7-year-old. The same is true of some of the evening programming, whose content, even in early evening hours, is inappropriate for children.

I wonder the same thing about those responsible for deciding to target a version of "Dumb and Dumber" to young children. Especially the studio spokesperson who described the upcoming series by saying, "It's going to so dumb it's smart. Or so smart it's dumb. I don't know which"

The case of "Dumb and Dumber" is particularly distressing, because on the same day that ABC announced that it was adding "Dumb and Dumber" to its lineup, the network said it was canceling one of its few quality educational programs for kids. That move would be alarming in its own right. By all accounts the program ABC was abandoning—a science-oriented show called "Cro" that is produced by the same highly regarded group that gave us "Sesame Street"—was an inventive and thought-provoking series.

Like too many of the choices made in our entertainment industry these days, this one mocks the efforts of mothers and fathers who are struggling to create a healthy environment for their children to learn and grow. There is a place for fun, for laughter, for cartoons. But at the same time, there has to be a place about respecting values, intelligence, and good family fare.

Sadly, ABC's decision is typical of the priorities set by America's big four broadcast networks, and those carried out by their local affiliates. According to a congressional hearing held last June, ABC, NBC, CBS, and Fox combined to show a total of 8 hours of educational programming a week in 1993, whereas in 1980, 11 hours was the average for just one network. If that is not distressing enough, a study conducted by the Center for Media Education showed that the clear majority of children's educational shows are broadcast when kids were usually asleep. That raises real doubts about the commitment of the networks and the affiliates to these programs.

The ritual defense and industry uses to justify their growing irresponsibility is that they are providing what the market demands. In some ways it is a persuasive argument in this country, and in most cases I am willing to abide by the market and let it be. But when it is used to shield behavior that potentially puts America's children at risk, I think we have to figure out a reasonable way to set up some warning signs so parents can protect their own children. As Washington Post TV critic Tom Shales said, "Just because people are willing to come is no defense. There's an audience for bloody traffic accidents too."

Our colleague Senator BRADLEY spoke forcefully about this issue in an excellent speech he delivered earlier this year at the National Press Club.

Yes, we must remain committed to upholding freedom, Senator BRADLEY said, but we must also guard against the corrosive effect of the liberties we afford the markets, especially the entertainment industry. "The answer is not censorship," he said, "but more citizenship."

The Senate majority leader spoke out just within the last week or 10 days on this subject forcefully, and I think appropriately. The Senator from Illinois [Mr. SIMON] has been a long-time critic of television programming, and has appealed to those involved to give better fare to our kids. What Senator BRADLEY and Senator DOLE said about this not being about censorship but citizenship is absolutely right. That is what H.L. Mencken was talking about when he said long ago that the cure to whatever ails democracy is more democracy. Parents must exercise their primary responsibility and hold television programmers accountable and remind them that profits accrued at the expense of our children are really fool's gold. That means speaking out—loudly—and acting as informed consumers. The networks and their local affiliates, the programmers and the syndicators need our help in hearing the call that we expect more in the way of citizenship. And advertisers should recognize their responsibility to the larger civil society that allows us all to exist and grow in this great democracy of ours.

But the question remains, though, what should the proper response of Congress and the law be? I have come to the conclusion myself that talk or jawboning is not enough. Talk is not only cheap, as the proliferation of talk shows has demonstrated. It also is apparently not sufficiently effective in changing the programming climate. Without adequate relief in sight, I believe we have an obligation to provide parents with the help they need to reduce their children's exposure to programs that the parents find offensive and harmful. And that is what Senator CONRAD's amendment puts at issue, confronts, and that is why I am pleased to be supporting his efforts to make the expanding communications technology family friendly and to empower parents to control the programs that enter their own homes. Rather than placing any restraints on content and encroaching on any first amendment freedoms, the Conrad amendment would simply give parents the ability to block programming they do not want their children to see.

This technology is readily available, and its addition as a standard feature in televisions sold today would come at a very small cost, by one estimate less than 5 additional dollars per television set. That is a small price to pay for gaining control over influences that a lot of American families do not want to commit to their home.

For this technology to work, network programming must come with some form of ratings. With his amend-

ment, Senator CONRAD is calling on the television industry to do nothing more than the movie makers and the video game manufacturers have done, and that is to establish a voluntary rating system to evaluate programming for objectionable content.

This amendment, which I am pleased to support, will give the industry a year to develop such a system on their own. If the broadcasters and cable networks for some reason do not respond to this call, then under the proposal of the Senator from North Dakota the FCC would be required to promulgate ratings that would trigger the use of the blocking technology called for in the proposal.

While I share Senator CONRAD's commitment to ratings, I also recognize that some people have first amendment concerns regarding the FCC's direct involvement in developing ratings, and that those concerns may prevent them from supporting this amendment even though they may strongly support its goals.

So with that in mind, I have proposed the second-degree amendment that would limit the Government's role, the FCC's role, should the industry refuse to comply to the invitation to self-restraint that is at the heart of this amendment. Instead of the FCC stepping in, if the television industry fails to develop a voluntary set of standards after 1 year, this amendment would bring about the creation of an independent board, a joint independent ratings board, comprised of representatives of the public and representatives of the television industry to create the ratings necessary under the amendment.

The panel would be a mechanism of last resort, if you will, because I think Senator CONRAD and I both want to work cooperatively with the television industry to see that a truly voluntary system is put in place. That is the best way for this to happen. But if it does not happen, then this second-degree amendment will ensure that the ratings system that emerges will be born from a true public-private partnership, and will be the product of a broad-minded consensus. Based on my recent experience with the video game industry, I am optimistic that we can reach a constructive solution that would avoid any Government intervention.

As some of my colleagues may recall—and Senator CONRAD made reference to it—a little more than a year and a half ago, Senator KOHL and I held a series of hearings to call attention to the increasingly graphic violent, sometimes sexually abusive, nature of video games played by our kids. From the outset we appealed to the producers' sense of responsibility to give parents information necessary to make the right choice for their children. As an incentive, we gave them a choice between rating the games themselves or having an independent board do it.

To the credit of the video game makers, and the producers of recreational

software that will enable games to be played on personal computers, the industry itself developed a voluntary system that actually was in place less than a year after Senator KOHL and I held our first hearing. Now I am pleased to say that almost 600 video game titles have been rated. By this year's Christmas shopping season, we hope and believe, based on conversations with the industry itself, that almost all of the video games in the stores will be rated, and, therefore, parents will know the content of the games that they are buying for their children.

Mr. President, finally, it is my hope that the television industry will respond similarly to this initiative by the Senator from North Dakota, by Senator MIKULSKI from Maryland, and by myself, and accept that it has not only obligations but opportunities as a very important member of the greater American community. I can assure the folks in the television and broadcast industry that we stand ready to work with them in a cooperative fashion to do what is best for America's families. Yes, but also ultimately what is best for the American television industry without infringing on any of the freedoms all of us rightly cherish and protect. This is not about censorship. It is about choices. We do not want to take away a network's choice to air offensive material if that is their choice. We just want to make sure that parents and citizens have the choice to prevent their kids or their families or, indeed, themselves from watching that material.

Mr. President, I thank the Chair. I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I would like to just put into the RECORD a number of statements from prominent Americans involved in important national organizations who have been a part of supporting this legislation.

First, I would like to quote from Dr. Robert McAfee, the national president of the American Medical Association, who said with respect to the larger legislation from which this amendment is drawn, and I quote. This is Dr. McAfee speaking:

It is estimated that by the time children leave elementary school, they have viewed 8,000 killings and more than 100,000 other violent acts. Children learn behavior by example. They have an instinctive desire to imitate actions they observe, without always possessing the intellect or maturity to determine if the actions are appropriate. This principle certainly applies to TV violence. Children's exposure to violence in the mass media can have lifelong consequences.

We must take strong action now to curb TV violence if we are to have any chance of halting the violent behavior our children learn through watching television. If we fail to do so, it is a virtual certainty the situation will continue to worsen \* \* \*.

That from the head of the American Medical Association.



Samuel Sava, executive director of the National Association of Elementary School Principals, said, and I quote:

The effect of television on children is of great concern to school principals. The family room television is more a persuasive and pervasive educator than all the teachers in America's classrooms. There's no question that the overdose of media violence American children receive is linked to their increasingly violent behavior. But more troubling for parents and educators is the fact that the violence children see, hear, and are entertained by makes them insensitive to real violence.

From Timothy Dyer, executive director of the National Association of Secondary School Principals, said, and I quote:

Our nation is experiencing an unrivaled period of juvenile violent crime perpetrated by youths from all races, social classes, and lifestyles. Without question, the entertainment industry plays a role in fostering this anti-social behavior by promoting instant gratification, glorifying casual sex, and encouraging the use of profanity, nudity, violence, killing, and racial and sexual stereotyping.

Mr. President, that is really at the heart of the amendment we are offering today. This amendment says parents—parents—ought to be able to choose what comes into their homes. Parents ought to be empowered to help decide what their children view. Parents ought to have a role in making these choices.

We can help parents have that choice by putting choice chips in the new television sets. The technology is available. It is very low cost. Let us give the parents of America what they say they want.

Again, I go back to this USA Today poll that was just published: Should these kinds of choice chips be installed in TV sets so parents could block violent programming? Yes, 90 percent. Ninety percent of the American people say we ought to do this.

We have done it in the least intrusive way imaginable. We have done it by saying, look, industry, get together with FCC. We are not going to tell you when to do it. We leave it up to your judgment. You work together, FCC and the industry. You get together on when you are technologically ready to have these available in the television sets.

And on a rating system, in the same way we have said, industry, you have a year to work with all interested parties to come up with a rating system that makes sense for the American people. And only if you fail to act does anything else happen. We give you a year to go forward in good faith and get this job done.

We think they will do it. Look at the answer to the question: Do you favor a rating system similar to that used for movies? Eighty three percent in the USA Today poll say, yes, we want a rating system—83 percent. And 90 percent said they wanted the new choice chip in their new television sets.

That is what this amendment offers. It does it in a way that is fully con-

stitutional. It does it in a way that is the least intrusive as possible, and yet it responds to the real wants of the American public, to have parents be able to choose what comes into their homes, to have parents be able to decide what their children want.

Mr. President, I hope that my colleagues would respond favorably to this amendment. I would be happy to answer questions or engage in further debate.

Mr. PRESSLER. Mr. President, we are studying this amendment. We have just seen the Conrad amendment in the second degree to the Lieberman amendment for the first time. In the Commerce Committee, there have been many bills introduced on this subject, including one by the distinguished former chairman, Senator HOLLINGS.

It was the intention and is the hope that we could hold full committee hearings, in fairness to all those Senators. There are so many Senators who have introduced bills on this subject. And when we finish this telecommunications bill, we are in hopes of turning to hearings for a number of reasons to give those Senators who have introduced a bill and been waiting a chance to have their bills considered but also to allow industry and consumer groups to give an analysis of this.

We have just seen this amendment in the second degree to the Lieberman amendment, and I know there is great passion at the moment about this subject throughout our land. I feel very strongly about this subject matter, and we are struggling with trying to find a fair way to deal with this amendment, which Senators have just seen, and dealing with Senator Hollings' bill which was introduced earlier. He had already asked for hearings, and also several other Senators. Also, in fairness to industry groups and parents and children, it would seem that testimony at full committee hearings would be a good first step.

Mr. President, I would like to yield to anyone else who has comments at this time.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER (Mr. GREGG). The Senator from North Dakota.

Mr. CONRAD. I thank the Chair.

We have had hearings for years around here on this subject. Everybody wants to have more hearings. Frankly, the American people want us to act. They want us to work together to achieve something. We have had all the hearings we need on this question.

I introduced a bill that contained these provisions on February 2 of this year. So it is not the first time anybody has seen this. This has been in this body since February 2.

I just say that these are the national organizations that say vote for this now, no more delay, no more talk. Let us do something. Let us do something that makes sense. Let us do something that is constitutional. Let us do something that empowers parents. Let us do

something that gives a rating system that the industry, on a voluntary basis, is able to create along with all interested parties. We give them a year to get this job done on their own.

Let me just read into the RECORD the national organizations that support this amendment: the National Association for the Education of Young Children, Future Wave, the American Medical Association, the American Medical Association Alliance, the National Association of Elementary School Principals, the American Psychiatric Association, the National PTA, Parent Action, the National Foundation To Approve Television, the National Association of Secondary School Principals, the American Academy of Child and Adolescent Psychiatry, the National Coalition on Television Violence, the American Academy of Pediatrics, the National Association for Family and Community Education, the Alliance Against Violence in Entertainment for Children, the American Nurses Association, the National Council for Children's TV and Media, the National Alliance for Nonviolent Programming, the National Association of School Psychologists, the Orthodox Union, the National Education Association, and the United Church of Christ.

Now, in the broader coalition we also have the sheriffs, police chiefs, and many others.

These organizations have all studied this issue and studied it and studied it and participated in hearing after hearing after hearing. They say now is the time to act. They are not alone. Ninety percent of the American people say, let us have these choice chips in our television sets; 83 percent of them say that they favor a rating system. We have tried to do this in the least intrusive way possible. We have done it by saying, with respect to choice chips, we will not say by when it should be done. We leave it up to the industry in conjunction with the FCC to determine the time at which it is practical to have this requirement go into effect. We leave it up to the experts: When is the time to have it go into effect?

With respect to the question of a rating system, we give the industry a year to work in conjunction with all interested parties on a voluntary basis to determine a rating system. They have done it in Canada. As I indicated earlier, the software industry, we gave them the same chance and they responded. They did a good job. So we are saying we believe this industry can do the same thing.

I wish to applaud the television manufacturers. They have gone a long way toward developing this technology. But clearly, if it is going to be widely disseminated in this country, it is going to require us to do a little something, just do a little something. The American people want us to act.

I thank the Chair.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I feel like Frank Clement at the 1956 convention. How long, O, America, how long will we continue to debate and not act? I share the same frustration that the distinguished Senators from Connecticut and North Dakota share on this particular score.

Over 2 years ago, getting right to one of the main points about the least intrusive manner—and the Senator from North Dakota is right on target there relative to constitutionality because he has read the cases, and we have all studied them, and that is what you have to do in order to qualify constitutionally in this particular measure—the least intrusive measure is with respect to children.

Yes, the courts have held you could not regulate violence with respect to the distinguished Presiding Officer and this particular Senator as adults. It is unconstitutional to try to even attempt it. So we found that you could do it with children. So having found that it could be done with children, then the least intrusive measure is not as suggested in this particular amendment, plus its perfection by the Senator from Connecticut; the least intrusive is limited to that period of time during the day when children are a substantial or majority portion of the viewing audience. That does not get them all. I feel, as the Senator sponsoring this measure, that I would like to get it all. I would like to get it all the time, but constitutionally I cannot. I think there is too much violence for all of us.

But constitutionally, not being able to, that would be one particular defect, as I see it, in the approach that has been brought out in hearings heretofore, and hearings heretofore incidentally back in 1993 that we had the present Attorney General study S. 470, which is now before our committee, a bill by Senator INOUE, myself, and others. And Attorney General Reno attested to the fact that she thought it would definitely pass constitutional muster.

There is another feature with respect to this—and I am not just nit-picking because, if they call the amendment and we vote it, I would still vote for the amendment, I say to the Senator. Do not worry about that.

But what happens is you have a fee in here, also. When we had a fee 2 years ago, Senator Bentsen—no, this was 4 years ago, because 2 years ago he was the Secretary of Treasury—but 4 years ago when we had a similar hearing, he said, "Wait a minute, the fee belongs in the Finance Committee," and someone later on would raise that point. I would still vote for it.

There are these kinds of misgivings. I remember the distinguished chairman of the Communications Subcommittee on the House side—the distinguished Presiding Officer would know and be familiar with the honorable Congressman ED MARKEY, of Massachusetts. He had what he called then the V-chip.

They are calling this the choice chip. He ran into these similar problems. But it is not my argument.

So we have had problems. Like I said, how long, America, are we going to consider and do nothing because there is a problem for every solution?

I would prefer—it would be up to the sponsors of the bill; I am confident our distinguished chairman would prefer—to take these perfecting amendments, with a matter of a fee there, and otherwise, to have a hearing on this and guarantee we will bring out a bill of some kind that we think is constitutional.

I do not want them to think it is a putoff. I do know there is an inherent danger here that I immediately feel, having been in this particular discipline now for a long time. I started off last week in the opening statement I made that evening—I think it was last Wednesday evening—that any particular entity or discipline in communications has the power to block the bill.

I can see the broadcasters, when they see fees, running around trying to block this bill. That, again, is not necessarily a valid argument against the amendments of the Senators from North Dakota and Connecticut. But there are these inherent dangers that immediately arise. I can think of several others.

I have the opportunity to distinguish what we have pending before the committee. I implore the authors to go along with it, but if they want to vote, I am convinced the majority leader is ready to vote for them. Is it the desire of these Senators, irregardless, as my Congressman Rivers used to say down home, irregardless, you are going to want to vote one way or the other, period, because I do not know whether it is our duty to argue further, I say to the chairman.

I yield the floor.

Mr. CONRAD. Mr. President, I say to the distinguished managers of the bill, Senator HOLLINGS and Senator PRESSLER, that we do intend to get a vote on this matter. We have many national organizations that have waited years to have Congress speak on this question. We have gone through draft after draft after draft to address the legitimate concerns of people to make this as reasonable and unintrusive as possible.

I just say to the Senator from South Carolina, there is no fee in the underlying Conrad amendment. None. There is no fee here. The second-degree amendment has a fee. But the Conrad amendment has no fee; none, zero.

As I say, we have done this in the least intrusive way possible. We are trying to respond to what is the legitimate concern voiced by the Senator from South Carolina. I might say, the Senator from South Carolina [Senator HOLLINGS] has been a great leader on this issue. He has been someone who is concerned and has repeatedly raised the issue of violence in the media. He

has said we ought to do something about it, and he has been willing to do that.

The American people want something done, and the least intrusive way to do it is to have choice chips on the televisions. American people overwhelmingly want it. It costs less than \$5 a television set, and industry representatives just told us this morning that when it is in mass production, they believe some of these chips will cost as little as 18 cents—18 cents—a television set, to provide parents the right to choose what their kids see.

In addition, we create a rating system so that parents have some idea of what the programming will contain before they see it. Eighty-three percent of the American people say they want such a rating system. Again, we have done it in the least intrusive way possible. We do not let the Government decide it. We say, "Industry, you meet with all industry parties, meet with the parents and teachers, meet with the school principals, meet with all the people who are concerned about this issue, meet with the church leaders and, on a voluntary basis, come up with a rating system and you have a year to do that without any Government interference or action."

Again, I say to the chairman, who has the difficult challenge of managing this bill, we would like a vote. I, at this point, ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. PRESSLER. I would like to reserve the right to table.

The PRESIDING OFFICER. There is not a sufficient second.

Is there a sufficient second? The Chair did not hear the Senator from South Dakota. The Chair is asking if there is a sufficient second.

There is a sufficient second.

The yeas and nays were ordered.

Mr. PRESSLER. Let me make a request here. I see the Senator from Vermont here. If we can lay this aside—the problem we have is the memorial service for Les Aspin. Some Members want to speak, particularly the Senator from Illinois has requested a chance to speak on this amendment before we made any decision about it. So we already made one decision about it. I am wondering if the Senator from Vermont could offer his amendment, if he will allow us to do that. We have been working under the tortuous process of having all these conflicts.

Mr. LEAHY. I had discussed with the distinguished Senator from South Carolina the possibility of going with one of my major amendments. I understand we have some votes at 4 o'clock, or something to that effect. Mr. President, I advise my colleagues and friends that I would be perfectly willing to go forward with the so-called interLATA amendment, if that would be helpful, right after the vote. I have to speak with some of the other cosponsors, but I would be happy to enter

into a relatively short time agreement and an agreed-upon time to vote on it.

As my colleagues know, I rarely bring up anything that is going to take very long. I do not want to hold up people, and I have another amendment. So I would be very happy, once I bring it up, to enter into a relatively short time agreement with a time certain for a vote.

Mr. PRESSLER. I am trying to help Senator SIMON.

Mr. LEAHY. I will do it right after the 4 o'clock vote.

Mr. PRESSLER. I do not think Senator SIMON is going to be able to speak until 4:15, when the bus gets back from the Les Aspin service. If my friends agree, I ask unanimous-consent that this amendment be laid aside until Senator SIMON can speak and we go to the Bumpers amendment.

Mr. CONRAD. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I say to the chairman and the ranking member, I will not object, but I just want to say that I ask for the opportunity to answer Senator SIMON if he makes a statement in opposition to the amendment.

Mr. PRESSLER. I am just trying to accommodate that side of the aisle. I do not know if he is for the amendment or against the amendment.

Mr. CONRAD. I do not either. I do not need a unanimous-consent agreement or anything of the kind. I just ask the chairman for his acknowledgment that we will have a chance to debate it.

Mr. PRESSLER. Yes, yes; absolutely. You shall always have a chance to speak on anything you want as far as I am concerned.

Mr. CONRAD. We will be happy to lay it aside.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator is reserving the right to object.

Mr. LIEBERMAN. Reserving the right to object, and I will not object, I just want to take this moment to respond to the remarks of the Senator from South Dakota, to thank him for his support of the concept, to acknowledge that he has been on the frontier of this one and has been a pioneer for quite a while, and also to say, in the interim, while this amendment is being laid aside, I am going to pursue the suggestion that he made to modify the amendment to remove the fee provision from my second-degree amendment. It was put in there to make this ratings board self-financing. If the distinguished ranking member thinks that may complicate the future of the proposal, I will be happy to modify it. So I will not object.

The PRESIDING OFFICER. Without objection, the unanimous consent request of the Senator from South Dakota is agreed to.

## AMENDMENT NO. 1348

(Purpose: To protect consumers of electric utility holding companies engaged in the provision of telecommunications services, and for other purposes)

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself and Mr. DASCHLE, proposes an amendment numbered 1348.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 76, after line 10, insert the following new subsection: "AUTHORITY TO DISALLOW RECOVERY OF CERTAIN COSTS.—Section 318 of the Federal Power Act (16 U.S.C. 825g) is amended—

(A) by inserting "(a)" after "Sec. 318."; and

(B) by adding at the end thereof the following:

"(b)(1) The Commission shall have the authority to disallow recovery in jurisdictional rates of any costs incurred by a public utility pursuant to a transaction that has been authorized under section 13(b) of the Public Utility Holding Company Act of 1935, including costs allocated to such public utility in accordance with paragraph (d), if the Commission determines that the recovery of such costs is unjust, unreasonable, or unduly preferential or discriminatory under sections 205 or 206 of this Act.

"(2) Nothing in the Public Utility Holding Company Act of 1935, or any actions taken thereunder, shall prevent a State Commission from exercising its jurisdiction to the extent otherwise authorized under applicable law with respect to the recovery by a public utility in its retail rates of costs incurred by such public utility pursuant to a transaction authorized by the Securities and Exchange Commission under section 13(b) between an associate company and such public utility, including costs allocated to such public utility in accordance with paragraph (d).

"(c) In any proceeding of the Commission to consider the recovery of costs described in subsection (b)(1), there shall be a rebuttable presumption that such costs are just, reasonable, and not unduly discriminatory or preferential within the meaning of this Act.

"(d)(1) In any proceeding of the Commission to consider the recovery of costs, the Commission shall give substantial deference to an allocation of charges for services, construction work, or goods among associate companies under section 13 of the Public Utility Holding Company Act of 1935, whether made by rule, regulation, or order of the Securities and Exchange Commission prior to or following the enactment of the Telecommunications Competition and Deregulation Act of 1995.

"(2) If the Commission pursuant to paragraph (1) establishes an allocation of charges that differs from an allocation established by the Securities and Exchange Commission with respect to the same charges, the allocation established by the Federal Energy Regulatory Commission shall be effective 12 months from the date of the order of the Federal Energy Regulatory Commission establishing such allocation, and binding on the Securities and Exchange Commission as of that date.

"(e) An allocation of charges for services, construction work, or goods among associate companies under section 13 of the Public

Utility Holding Company Act of 1935, whether made by rule, regulation, or order of the Securities and Exchange Commission prior to or following enactment of the Telecommunications Competition and Deregulation Act of 1995, shall prevent a State Commission from using a different allocation with respect to the assignment of costs to any associate company.

"(f) Subsection (b) shall not apply—

"(1) to any cost incurred and recovered prior to July 15, 1994, whether or not subject to refund or adjustment;

"(2) to any uncontested settlement approved by the Commission or State Commission prior to the enactment of the Telecommunications Competition and Deregulation Act of 1995"; or

"(3) to any cost incurred and recovered prior to September 1, 1994 pursuant to a contract or other arrangement for the sale of fuel from Windsor Coal Company or Central Ohio Coal Company which has been the subject of a determination by the Securities and Exchange Commission prior to September 1, 1994, or any cost prudently incurred after that date pursuant to such a contract or other such arrangement before January 1, 2001."

Mr. BUMPERS. Mr. President, this amendment is being offered by Senators DASCHLE and KERREY and myself. I hope that we might get the managers of this bill to accept this amendment. It is precisely the language that was in last year's telecommunications bill. I do not know what happened on the way to the forum this year.

Somehow or another it did not make it. Since it is the same language that was in last year's bill, perhaps by the time we get around to finishing the debate the floor managers might see fit to accept it.

Now, Mr. President, here is what this amendment is about: any company that owns 10 percent of a utility company is considered a utility holding company. In 1935, because some public utility holding companies were very big and very powerful, we passed the Public Utility Holding Company Act [PUHCA].

Holding companies that operate essentially on a multistate basis, 11 electric utility holding companies and three natural gas utility holding companies—are what we call registered public utility holding companies. They must act and conduct themselves in accordance with PUHCA.

In my State, Arkansas Power & Light is owned by Entergy, a registered utility holding company. Entergy also owns utility subsidiaries in Louisiana, Mississippi, and Texas.

The other public utility companies have a similar number of utility subsidiaries. These 14 registered public utility holding companies serve approximately 50 million households in the United States.

The chart I have here contains a map of the affected States. All the States in dark blue, are served by registered utility holding companies. The States in light blue, including North Dakota, South Dakota, Minnesota, and Wisconsin, will be served by registered holding companies following the completion of proposed mergers.

Under the telecommunications bill, PUHCA will be amended to permit these public utility holding companies to get into telecommunications activities. Unlike the baby Bells, they can enter into these businesses immediately after the President puts his signature on this bill. No questions asked.

Here is what I am trying to address with this amendment. In 1971, a utility subsidiary of a registered public utility holding company, American Electric Power, the Ohio Power Co., which is an electric utility company, entered into a contract with a sister affiliate, called Southern Ohio Coal Co.

In 1971, 24 years ago, Southern Ohio Coal Company agreed to sell coal to Ohio Power under a contract. They said, "We will sell you coal at our cost." Think about that. One sister company is saying to another sister company "We will sell you coal at our cost." The only agency with authority to scrutinize that contract as to whether it is a good contract or a bad contract for consumers is the Securities and Exchange Commission [SEC], as is required by PUHCA.

The SEC looked at the contract in 1971 and said "this is just hunky-dory. Fine contract. Off you go." The coal company sold its coal to its sister company—both of them owned by the same parent—Ohio Power, which generated electricity and obviously passed the cost of the coal as a part of its costs to the ratepayers in Ohio.

If you are sitting around at night in your house worrying about your electric bill and that air-conditioner is going full-time because it has been a hot day, you worry about the price of the power, but you assume that somebody, somewhere, is making sure what you are paying for that air-conditioning that day is a fair price.

Electric rate regulation in this country is conducted at both the Federal and State levels. The Federal Energy Regulatory Commission [FERC] is the only body that regulates the rates charged for power sold at the wholesale level. Everybody here knows what FERC is. FERC regulates wholesale sales of power.

What is a wholesale sale of power? That is the sale of power to a utility which in turn will sell it to the people who buy its power. Only FERC can set those rates.

Back to the guy sitting in his living room with the air-conditioning going. He does not realize that Southern Ohio Coal Company is selling coal to Ohio Power, who is generating electricity for his air-conditioner. He did not realize that the coal company was charging Ohio Power as much as twice as much as that coal could be bought for on the open market. That is right—100 percent more than their cost.

So, the municipalities that bought power from Ohio Power Company got to thinking, "We are getting ripped off." So they go to FERC and they say, "Listen, FERC, we are paying a utility rate for electricity that has been gen-

erated with coal from Southern Ohio Coal Co. and Ohio Power is giving them as much as 100 percent profit." That is right. Ohio Power is paying the coal company 100 percent more than they can buy from anybody else in southern Ohio.

They go to FERC and say, "how about giving us a break on our rates? Check this out and see if it is right." So FERC sends a bunch of investigators out to find out if this is a true story. What do we get? It is. It is true.

Ohio Power has been paying up to 100 percent more for coal than they could have bought it from anybody. And they have been putting it in their rates, and the poor guy sitting in his living room wondering how he will pay for his electricity bill that month suddenly realizes he has been taken.

So FERC says, "This is not right. This is not fair by any standard. Stop it. We are going to give you people a new rate. We will not sit by and tolerate something like this."

What do you think Ohio Power did? Why, they did what any big fat-cat corporation would do that has all the money in the world—they appealed the FERC decision. Who did they appeal it to? The U.S. Court of Appeals for the District of Columbia Circuit.

The court of appeals decided that FERC had no jurisdiction. They did not have a right to delve into this issue. The court said the only agency with authority to look at this issue is the Securities and Exchange Commission. They approved the original contract. They said, it was just fine. And 21 years have gone by and they never looked at it again.

Incidentally, the poor little municipalities were continuing to get ripped off. They filed a petition with the SEC in 1989. Guess what the SEC has done in the last 6 years with their petition? You guessed it, Mr. President, nothing. Nothing.

When they saw that SEC was not going to do anything, that is the reason they took it to FERC and said, "FERC, why don't you help us? You have the jurisdiction to do it."

FERC said, "We do, and we will."

The court of appeals said, "No dice."

Now, Mr. President, my amendment is simple, straightforward, and fair. There are a lot of people in this body who are apprehensive about this bill. Know why they are apprehensive? Because they are afraid that it will wind up being anticompetitive, instead of procompetitive.

There is one thing in this bill that everyone should understand. The bill addresses public utility holding companies. It talks about public utility holding companies. It talks about FERC.

And Senator D'AMATO, to his credit, put a little proconsumer language in this bill. But his language will not ensure that poor old Joe Lunchbucket sitting in his living room worrying about his air-conditioning bill will be protected. TOM DASCHLE, BOB KERREY and DALE BUMPERS, we care about what his electric bill will be this month.

We are offering this amendment to prohibit cross-subsidization between affiliates of a public utility holding company. We are saying, "We are not going to allow these people to charge 100 percent more than their cost and charge it to this poor guy sitting in his living room watching television."

This amendment is directly related to the telecommunications bill. These public utility holding companies, serving more than 50 million households, want to get involved in the telecommunications business. I am for them. I want them in the cable television business. I want competition in the cable television business.

As I said in my opening statement, if the President signs this bill the public utility holding companies can immediately go into the telecommunications business—telephone, cable television, you name it.

So what I am saying is I do not want one utility company that generates electricity ripping off their sister affiliates and charging it to poor old Joe Lunchbucket. I do not want sister affiliates inflating their costs from one company to another and passing it on to any ratepayers.

Let me give an illustration. This chart explains precisely what I am talking about. Here is the registered holding company—let us assume this is American Electric Power. Here is a subsidiary which sells both fuel and telecommunications services. This subsidiary, we will say, is Southern Ohio Coal Co. They are mining coal and selling it to these utilities. But let us assume they are also in the telecommunications business, all of a sudden. They start shifting their costs from telecommunications to their coal operations, so they can compete better in the telecommunications market. They shift their costs over to the coal company, knowing that nobody is guarding the store, and that they can charge it to these utility companies and put it right back on old Joe Lunchbucket again. Not only are they going to charge them this exorbitant rate for coal and make him pay for it through his electric bill, now they are going to go to the telecommunications business and shift the cost from the telecommunications to coal, so their telecommunications cost will be so much less nobody can compete with them here in Washington, DC, or in Little Rock, AR.

Here is another example. Here is the same registered utility holding company. They form a telecommunications subsidiary. In addition, the holding company already has a service company which performs certain functions for the utility subsidiaries.

Let us assume that the telecommunications company is going to provide telecommunications services to the service company. They are going to charge them just like the coal company did, a 100 percent profit. And then what is going to happen? They are

going to pass it right down to the utility companies through the service company contracts and the utilities are going to pass it down to old Joe Lunchbucket again.

Mr. President, this gets a little complicated for people who have not dealt with it for the past 3 years, as I have. As I say, I am still a little nonplused about why my amendment was in the bill last year and is not in the bill this year. I guess somebody just felt they had a little more clout this year. They might not have liked it last year. I am not rocking the boat, but a lot of people, as I say, are worried about how the consumer comes out in all of this. If my amendment is not adopted, I can tell you exactly how the consumer is going to come out if he buys any services from a registered public utility holding company.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Mr. President, I have an amendment that is already at the desk that I have discussed with the managers of this bill. It is similar to an earlier amendment that was offered by the Senator from Pennsylvania and adopted, I believe 90-something to something, dealing with incidental interLATA relief.

Mr. President, I ask unanimous consent that the Bumpers amendment be laid aside temporarily so that we may consider this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Mr. President, on this chart I am going to show the problem. We also have an illustration of why this amendment is needed or why we need to change the current method of regulation.

We have in the United States of America, since the divestiture in AT&T, created these local access transport areas (LATA's) throughout the country defining what local telephone service is. In northeast Nebraska, we have two—644 and 630. The red line down the center separates one from the other.

We have established a method to get our K through 12 schools hooked up to the Internet that requires us to go through a central hub. There are a number of them called educational service units.

Unfortunately for schools up in the northeastern part of the State, they have to cross one of these artificial boundaries, these LATA boundaries, in order to get to this little red dot here which represents the Wakefield, NE,

educational service unit. All of these school districts here—Jackson, South Sioux City, Dakota City, Homer, Hubbard, Winnebago, Walthill, Macy, Rosalie—all have to cross that LATA in order to be able to connect to the educational service unit in Wakefield. It is about 17 miles total, somewhere in that range, from one of these towns to this central hub.

This problem was identified to me originally by a principal, Chuck Squire, of Macy School, as he was trying to get his school hooked up to the Internet. The requirement was again, as I said, to go through Wakefield. Because it crosses that interLATA boundary, it is no longer a local call. You have to pay an access charge when you are going from here to any one of these schools over here. The cost for dedicated Internet service if the local Bell company could provide the service would be approximately \$180 a month, with an \$800 installation charge. But for a long distance company, it ends up being almost \$1,100 a month with a \$1,000 installation charge, because the traffic needs to be routed across the State boundary.

What happens is the schools end up with about \$10,000 to \$12,000 more per year in the monthly charge. These are very small school districts, most of them, and \$12,000 ends up being a lot of money. They get nothing more for it.

And this amendment, as I said, that I have discussed both with the chairman of the committee and with the ranking member, would grant incidental LATA relief to the Bell Operating Companies to provide dedicated two-way video or Internet service for this dedicated purpose, in this case the K through 12 environment.

The hope is, of course, that the legislation itself will eventually obliterate the need to ask for this kind of incidental relief. The hope is that these kinds of restrictions that make it difficult for prices to come down—you can see in a competitive environment, if you had competition at play here, these prices would go down. This price was not high as a consequence of some cost. It is a consequence entirely of the current regulatory structure.

So again, I am finished describing what the amendment does. I hope that the amendment can be simply agreed to at this time.

Mr. HOLLINGS. Mr. President, if the distinguished Senator from Nebraska is waiting for a response from this side, there is an amendment on interLATA rates which I discussed with the distinguished Senator at the time. We wanted to make absolutely clear that we did not open up a big loophole. The distinguished Senator now has it limited. It is dedicated, and I think in good order. We are prepared to accept the amendment on this side.

The PRESIDING OFFICER. Will the Senator from South Carolina wait for a second?

We do not have the amendment of the Senator from Nebraska at the desk.

Mr. KERREY. I will send a copy that I have here to the desk.

AMENDMENT NO. 1335

(Purpose: To provide that the incidental services which Bell operating companies may provide shall include two-way interactive video services or Internet services to or for elementary and secondary schools)

Mr. KERREY. Mr. President, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. KERREY] proposes an amendment numbered 1335.

Mr. KERREY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 94, strike out line 16 and all that follows page 94, line 23, and insert in lieu thereof the following:

“(B) providing—

“(i) a telecommunications service, using the transmission facilities of a cable system that is an affiliate of such company, between LATAs within a cable system franchise area in which such company is not, on the date of enactment of the Telecommunications Act of 1995, a provider of wireline telephone exchange service, or

“(ii) two-way interactive video services or Internet services over dedicated facilities to or for elementary and secondary schools as defined in section 264(d),”.

Mr. PRESSLER. Mr. President, we just saw this amendment about 30 minutes ago for the first time. We have been juggling six amendments. We would ask that the Senator withhold asking for a vote on it until we have a chance to study this amendment. I commend the Senator from Nebraska. It looks like something that I am taking a favorable look at. But we have not run it through all the hoops over here.

Mr. KERREY. I do not quite follow. I thought earlier we had discussed it.

Mr. PRESSLER. We discussed it last night, and had not agreed to accept it. But we just saw it for the first time 30 minutes ago. At that time, the Senator said he was going to supply us with a different copy. Do we have the final copy of the amendment?

Mr. KERREY. We just sent a copy to the desk.

Mr. PRESSLER. Do we have a final copy of the amendment?

Mr. KERREY. The Senator should have the final copy now.

Mr. PRESSLER. Will the Senator agree to set it aside and give us a chance to look at it? It will take us 15 minutes. We want to take a look at it.

Mr. KERREY. Sure. I would be pleased to.

The PRESIDING OFFICER. Without objection, the amendment is set aside.

Mr. PRESSLER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous-consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. Will my colleague yield? I have a unanimous-consent request. May I make this unanimous-consent request?

Mr. SIMON. I have no objection to that at all.

Mr. PRESSLER. By the way, we are looking forward very much to hearing the Senator's views on this. We have been holding the option open.

I ask unanimous consent that at 4 p.m. today, the Senate proceed to vote on the McCain amendment 1276, to be followed immediately by a vote on the motion to table the Feinstein amendment number 1270, and that the time between now and 4 p.m., which is 1 minute, be equally divided in the usual form for debate on either amendment. So there would be no further debate. I think we have debated both amendments.

Mr. HOLLINGS. Reserving the right to object, Mr. President, do I understand the Senator moved to table the McCain amendment?

Mr. PRESSLER. No; we are proceeding to vote on the McCain amendment.

Mr. HOLLINGS. I move to table the McCain amendment, and I ask for the yeas and nays.

Mr. DOMENICI. Reserving the right to object, the Chair has not ruled on that request, have you?

The PRESIDING OFFICER. No, I have not.

Mr. HOLLINGS. I object.

Mr. DOMENICI. Will the Senator yield me 1 minute?

Mr. PRESSLER. Sure.

Mr. HOLLINGS. Sure.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 917 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Several Senators addressed the Chair.

The PRESIDING OFFICER. The unanimous-consent request is pending.

Is there objection? Without objection, it is so ordered.

Mr. SIMON. Mr. President, reserving the right to object, the request is that we vote at 4 o'clock; is that correct?

Mr. PRESSLER. Yes; I am trying to get two votes out of the way so we can get moving along, so to speak. We still have some Senators coming back from the Les Aspin function. Then we will have a full force, and we will then do some business.

Mr. SIMON. Will the manager agree that after that, I be recognized? I have no objection.

The PRESIDING OFFICER. If there is no objection, the unanimous-consent request is agreed to.

There is 1 minute of time divided equally between the manager of the bill and the ranking member.

Who yields time?

Mr. MURKOWSKI addressed the Chair.

Mr. PRESSLER. There must be no time.

The PRESIDING OFFICER. The manager has control of the time.

Mr. PRESSLER. I suggest that the hour of 4 p.m. has arrived and there would be no time to divide.

The PRESIDING OFFICER. The Senator is correct.

The Chair notes that the Senator from Alaska is seeking recognition. Does the manager wish to yield him his time?

Mr. MURKOWSKI. If I may. I simply want to speak very briefly, about 3 minutes, in opposition to the Ohio Power amendment.

Mr. PRESSLER. Then I ask unanimous consent that at the end of 3 minutes the Senate will vote on the two votes that have been requested.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank my friend, the floor manager.

Mr. President, I rise in opposition to the pending amendment to overturn the Ohio Power court case. I am opposed to it simply because it is bad policy, and I will explain briefly why.

In the Ohio Power case, the U.S. court of appeals held that the Congress gave a single Federal agency—the Securities and Exchange Commission—jurisdiction over the interaffiliate transactions of registered electric utility holding companies. Those utilities sell power to an estimated 50 million households in 30 States.

The court said that a second Federal agency, the Federal Energy Regulatory Commission, cannot also regulate the same matter. No dual regulation, the court said.

So, Mr. President, good public policy is that if something must be regulated, then one and only one agency should do it, not two, which is the provision in the amendment before us. Utilities should not be whipsawed between the conflicting decisions of two different regulatory agencies. Unfortunately, that is precisely what this amendment does.

Mr. President, the proponent of the amendment argues that the FERC is a better regulator than the SEC; that we ought to overturn Ohio Power so that the FERC can regulate these transactions. But rather than take jurisdiction away from the SEC and give it to the FERC, the pending amendment allows both agencies to regulate the same matter.

I question the claim that FERC has been a better regulator than the SEC. I am less concerned about which agency regulates than having only one agency regulate. If both agencies use the same statutory standard for making their decisions and if both made their decisions at the same time, then the problems created by dual regulation might

be manageable. But that is not how it will work if the pending amendment is adopted.

First, the SEC will regulate pursuant to the Public Utility Holding Company Act, and the FERC will regulate pursuant to the Federal Power Act. These two laws have different statutory standards, and the result will be conflicting regulatory decisions.

Second, because of differences in the two statutes, the decisions made by the SEC and the FERC cannot take place at the same time. The Public Utility Holding Company Act requires preapproval by the SEC, whereas the Federal Power Act provides for post-transaction review by the FERC. In the Ohio Power case, for example, the FERC acted 11 years after the SEC made its regulatory decision.

In short, the two regulatory systems are incompatible. Neither is inherently better than the other, they are simply different. The Ohio Power court recognized that fact; the pending amendment ignores it.

Mr. President, I am also concerned that the pending amendment does not respect the sanctity of contracts. It is intended to allow the FERC to retroactively overturn longstanding, SEC-approved contracts. Some of these contracts have been in place for more than a decade, and the parties have invested many hundreds of millions of dollars. Those investments will be placed in jeopardy if the pending amendment is adopted.

Mr. President, the proponent of the amendment also claims that it is needed to restore State public utility commission jurisdiction to where it was prior to Ohio Power. However, in some respects, the amendment actually has the opposite effect. It specifically prohibits State public utility commissions from using a cost allocation method different from one the SEC uses. In short, the pending amendment will require State public utility commissions to do what the SEC tells them to do.

Perhaps the most troubling aspect of the amendment is its resurrection of the very cost trapping the Ohio Power court found unacceptable. This will happen when a utility incurs costs pursuant to an SEC-approved contract but the FERC subsequently denies the passthrough of those approved costs.

In summary, Mr. President, the amendment would create a complex, overlapping, and confusing regulatory maze. It would allow electric agencies to be squeezed between the conflicting agency decisions. That is bad public policy.

Mr. President, the amendment should be rejected, and I urge my colleagues to vote against it.

I thank the floor managers for the opportunity to speak in opposition to the Bumpers amendment.

I yield the floor.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator's time has expired.



## VOTE ON AMENDMENT NO. 1276

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1276. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 18, nays 82, as follows:

[Rollcall Vote No. 251 Leg.]

## YEAS—18

Abraham	Gorton	McCain
Ashcroft	Gramm	Nickles
Brown	Helms	Packwood
Coats	Hutchison	Santorum
DeWine	Kyl	Specter
Dole	Mack	Thompson

## NAYS—82

Akaka	Feinstein	Lugar
Baucus	Ford	McConnell
Bennett	Frist	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Bond	Grams	Murkowski
Boxer	Grassley	Murray
Bradley	Gregg	Nunn
Breaux	Harkin	Pell
Bryan	Hatch	Pressler
Bumpers	Hatfield	Pryor
Burns	Heflin	Reid
Byrd	Hollings	Robb
Campbell	Inhofe	Rockefeller
Chafee	Inouye	Roth
Cochran	Jeffords	Sarbanes
Cohen	Johnston	Shelby
Conrad	Kassebaum	Simon
Coverdell	Kempthorne	Simpson
Craig	Kennedy	Smith
D'Amato	Kerrey	Snowe
Daschle	Kerry	Stevens
Dodd	Kohl	Thomas
Domenici	Lautenberg	Leahy
Dorgan	Leahy	Thurmond
Exon	Levin	Warner
Faircloth	Lieberman	Wellstone
Feingold	Lott	

So the amendment (No. 1276) was rejected.

Mr. PRESSLER. I ask unanimous consent that the next vote be set aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent the Bumpers amendment be voted on in 10 minutes and the Senator from Mississippi have 10 minutes to speak on it—5 minutes each. At that point we will move to table the Bumpers amendment.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Mr. President, reserving the right to object, and I do not intend to object, I would like to ask the distinguished chairman of the committee if he would add that, after the vote on the Bumpers amendment, Senator SIMON then be recognized for an amendment that he has been seeking recognition on.

Mr. PRESSLER. That is fine.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 5 minutes.

Mr. LOTT. Mr. President, under the unanimous consent agreement I believe we have 10 minutes, now.

Mr. DOMENICI. Could we have order, Mr. President?

The PRESIDING OFFICER. There will be order in the Chamber.

## AMENDMENT NO. 1348

Mr. LOTT. I believe that we do have 10 minutes now of debate on the Bumpers amendment, and then we would go to a vote at that point. So I would like to be heard briefly in opposition to the Bumpers amendment.

First, before I do that, I thank the Senator from Arkansas. Although I cannot support his amendment, I appreciate his willingness to work with me and Senator D'AMATO in developing appropriate safeguards as registered utilities enter this telecommunications area. I also thank him for working last year to resolve these issues in the Energy Committee. Of course it involves the Banking Committee as well as the Energy Committee. He was very cooperative in that effort.

The amendment he raises today should be considered, but not on this legislation. The Energy Committee has rightfully asked that such amendment first go through the Energy Committee where it was considered last year in preparation for the telecommunications bill being voted on by the Commerce Committee. So I must honor Senator MURKOWSKI's request as chairman of the committee on that matter and oppose the amendment on that basis, if no other. Having said that, I want to point to the substantial safeguards that were included in the managers' amendment to address the concerns of Senators D'AMATO and BUMPERS.

I would also like to take just a moment to point out the critical importance of this provision to the legislation and in particular to our region of the country, because it is going to provide an opportunity for tremendous services through the utility companies in our area and really will go a long way to providing the smart homes we have been talking about in addition to the new smart information highways.

What this all involves is the now famous Ohio Power case, and it deals with a Supreme Court ruling that restricts a State's right to disallow certain costs between companies in a registered holding company system for the purposes of ratemaking. With respect

to such transactions related to telecommunications activities, this matter has already been addressed with language that prevents cross-subsidization between the companies. To the extent there remain unresolved issues regarding the broader application of the Ohio Power case, they should be dealt with by the Congress as part of its overall review of the Public Utility Holding Company Act, PUHCA.

Senator D'AMATO has indicated he will hold hearings on it and consider comprehensive PUHCA legislation later this session. I feel very strongly that is needed.

For these reasons the Bumpers amendment is not necessary at this time and I urge my colleagues to vote against it.

The purpose of the telecommunications bill is to allow competition in the broadest sense possible in the provision of telecommunications services. Most utility companies are already able to participate in the market. However, current law prevents the 14 registered utility holding companies from fully participating in telecommunications markets. With appropriate consumer protections, this amendment allows registered utility holding companies to enter this important market on the same footing as other utilities and new market entrants. The amendment would allow a registered holding company to create a separate subsidiary company that would provide telecommunications and information services.

The amendment contains numerous consumer protection provisions—the bill itself—which would be substantially altered by what the distinguished Senator from Arkansas is trying to do here.

So the public utility company subsidiary of a registered holding company may not issue securities and assume obligations or pledge or mortgage utility assets on behalf of a telecommunications affiliate without approval by State regulators. Also, protections in the bill say a telecommunications subsidiary of a registered holding company must maintain separate books, records and accounts and must provide access to its books to the States. State regulators may order an independent audit and the public utility is required to pay for that audit. If ordered by State regulators, a public utility may file a quarterly report, if that is ordered by the State regulators. Also, the public utility company must notify State regulators within 10 days after the acquisition by its parent company of an interest in telecommunications.

So there are very strong protections here. I think what we are talking about is making sure these registered utility holding companies can provide these services. It greatly enhances the opportunity for information and for competition, and I do not believe we need this amendment for there to be adequate protections for the consumer. They are in the bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LOTT. We took great precautions to make sure those protections were included in the bill. So for these reasons outlined, I urge defeat of the Bumpers amendment and I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. BUMPERS. Mr. President, for the benefit of my colleagues who were not here for the earlier part of this debate, let me just say that my amendment is what I would call the do-right amendment. It was precipitated by an incorrect decision issued by the D.C. Circuit Court of Appeals in the Ohio Power case. In 1992, a bunch of cities who bought power from a utility subsidiary of a registered utility holding company, named Ohio Power. They were buying power from Ohio Power and Ohio Power was buying coal to generate that power from a sister company called Southern Ohio Coal.

The municipalities went to FERC, because FERC sets wholesale rates; that is power sold from a utility company to a city, for example. And they say, "We think Ohio Power's rates are too high and the reason they are too high is because this coal company is charging its sister company an exorbitant rate for coal." FERC sends their investigators out and what do they find? They found Ohio Power is charging 100 percent more for coal than that coal can be bought from anybody else in southern Ohio. What is happening is Ohio Power is paying twice as much for coal and what are they doing? They are passing it right on down to the municipalities who, in turn, have to pass it right on down to Joe Lunchbucket, who is worried about how he is going to pay his air-conditioning bill this month. It is just that simple. That is all there is to this.

Mr. JOHNSTON. Will the Senator yield for a question?

Mr. BUMPERS. I will be happy to yield.

Mr. JOHNSTON. Is this the identical amendment which was passed out of the Energy Committee after a great deal of hearings and work last year, I believe it was 14 to 5?

Mr. BUMPERS. Mr. President, this amendment is the precise language reported out of the Energy Committee, 14 to 5 last year. And it was incorporated in this bill precisely that way. There is nothing new about it.

Mr. JOHNSTON. I thank my colleague.

Mr. BUMPERS. The problem with the Court of Appeals' decision in Ohio Power is that the court said that the SEC is the only regulatory body with authority to protect consumers. And the problem is, the SEC will not, and possibly can not, do it.

They approved the original contract and for 24 years have refused to look at it. So what happens? The consumers are paying twice as much for coal as

the coal can be bought from anyplace else.

I am just simply saying cross-subsidization of these affiliate companies held by public utility holding companies is wrong. There is not a person within earshot of my voice today who believes it is right. Why would you not vote to stop that? Why would you not give poor old Joe Lunchbucket a little bit of a break out of this? If you do not, these same holding companies are going to go into telecommunications, and unlike Pacific Bell, Bell South, Southwestern Bell, they go in the day the President puts his signature on this bill. They can be in the cable business. They can go into anything they want to. They do not have to go to the FCC and the Justice Department.

They can also orchestrate transactions between sister companies. Who is going to sell what to whom? One sister sells telecommunications products to another. And maybe that company also sells coal to a utility company. They pass it on. Even the telecommunications cost goes right down to the utility, right down to poor old Joe Lunchbucket. Nobody here believes that is right.

Do you know who favors my amendment? Every State public service commission. The Consumer Federation of America, the industrial energy consumers, including General Motors and Dow Chemical are even for it. The National Association of State Utility Consumer Advocates, the Ohio Wholesale Customers Group, and on and on. They all support the Bumpers amendment.

Mr. President, I do not know of anything further that I can say. This is an opportunity to protect consumers. If you want competition, you cannot have it unless you support this amendment because, if you do not, these anti-competitive practices will continue. It is just that simple.

I yield the floor.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. PRESSLER. I move to table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota to lay on the table the amendment of the Senator from Arkansas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The result was announced—yeas 52, nays 48, as follows:

[Rollcall Vote No. 252 Leg.]

YEAS—52

Abraham  
Ashcroft  
Bennett  
Bond  
Brown

Burns  
Chafee  
Coats  
Cochran  
Cohen

Coverdell  
Craig  
D'Amato  
DeWine  
Dole

Domenici  
Faircloth  
Frist  
Gorton  
Gramm  
Grams  
Grassley  
Gregg  
Hatch  
Heflin  
Helms  
Hutchison  
Inhofe

Kassebaum  
Kempthorne  
Kyl  
Lott  
Lugar  
Mack  
McCain  
McConnell  
Murkowski  
Nickles  
Packwood  
Pressler  
Roth

Santorum  
Shelby  
Simpson  
Smith  
Snowe  
Specter  
Stevens  
Thomas  
Thompson  
Thurmond  
Warner

NAYS—48

Akaka  
Baucus  
Biden  
Bingaman  
Boxer  
Bradley  
Breaux  
Bryan  
Bumpers  
Byrd  
Campbell  
Conrad  
Daschle  
Dodd  
Dorgan  
Exon

Feingold  
Feinstein  
Ford  
Glenn  
Graham  
Harkin  
Hatfield  
Hollings  
Inouye  
Jeffords  
Johnston  
Kennedy  
Kerrey  
Kerry  
Kohl  
Lautenberg

Leahy  
Levin  
Lieberman  
Mikulski  
Moseley-Braun  
Moynihan  
Murray  
Nunn  
Pell  
Pryor  
Reid  
Robb  
Rockefeller  
Sarbanes  
Simon  
Wellstone

So the motion to lay on the table the amendment (No. 1348) was agreed to.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

ORDER OF PROCEDURE

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Senate now return to the Dorgan amendment No. 1278 and that there be 20 minutes for debate to be equally divided in the usual form, with no amendments in order to the Dorgan amendment; that at the conclusion or yielding back of time I will be recognized to move to table the Dorgan amendment 1278, which deals with the 35 percent for national markets being lowered to 25 percent of the national media market, and this would move us forward. The Dorgan amendment is ready for voting. I would plead with everybody to let us vote on this and then proceed.

My motion would ask that we go to the Dorgan amendment 1278.

Mr. CONRAD. Reserving the right to object.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Lieberman amendment to the Conrad amendment.

Mr. CONRAD. The Lieberman amendment or the Dorgan amendment?

The PRESIDING OFFICER. The Lieberman amendment to the Conrad amendment.

Mr. CONRAD. Is the pending business?

The PRESIDING OFFICER. Is the pending business.

Mr. CONRAD. Mr. President and chairman of the committee, I would be reluctant to agree to this request if we cannot get some agreement on when our amendment would be handled. We are the pending business, the Lieberman second-degree amendment to the Conrad amendment. We would like to get this matter resolved. We have had a lengthy discussion, and I

would hope that we could move to a vote on that. And so I would be constrained to object unless there was some meeting of the minds with respect to when we would get to our amendment.

Mr. PRESSLER. Let me say that the Dorgan amendment came up first, and we are struggling to move forward here. Several Senators are seeking agreements that I am not in a position to give. This is something we could get done and behind us in the next 30 to 35 minutes. It is a major amendment involving the percentage of national media that one company or group can control. It is now set at 35 percent in the bill. The Dorgan amendment, as I understand it, would strike that and bring it back to 25 percent.

There has been debate on it. I think there is only one more speaker. I ask that we lay aside the amendment of the Senator from North Dakota, Senator CONRAD, if he will be kind enough to let us do that, and go to the Dorgan amendment, get a vote on it, and keep on going from there.

Mr. CONRAD. I just say to the chairman, if I could, I have to register objection if there is not some agreement reached—

Mr. DOLE. Will the Senator yield?

Mr. CONRAD. I will be glad to yield.

Mr. DOLE. We can bring the Dorgan amendment back by regular order. We can do it that way. Senator SIMON has an amendment relating to violence. We would like to have debate on all three amendments—the CONRAD amendment, the second-degree amendment, and then an amendment I am offering with Senator SIMON, a sense-of-the-Senate amendment, that all relates to TV violence. I wonder if we might have the debate on all of those before we start voting. That is the only problem we have.

Mr. CONRAD. As I understand, the pending business before the Senate is—

Mr. DOLE. Regular order brings back the Dorgan amendment, so I call for the regular order.

The PRESIDING OFFICER. The regular order is amendment No. 1278.

Mr. PRESSLER. Mr. President, I ask unanimous consent there be 20 minutes for debate equally divided on amendment No. 1278, and at the conclusion or yielding back of time, I be recognized to table the Dorgan amendment No. 1278.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. Reserving the right to object. Again, can we not find some way of having a meeting of the minds on what the order will be? I will be happy to accommodate other Senators if there is some understanding of what the order is going to be.

Mr. DOLE. I think the order is, after this, we go back to the Senator from North Dakota. If you do not have any objection, the Senator from Illinois would like to at least be heard on his amendment.

Mr. CONRAD. Actually, the previous agreement was the Senator from Illinois would be recognized, and we certainly want to accommodate that. But could we have an understanding with respect to what the order is then after that? If we can have a unanimous consent agreement, we certainly would be open to entering into a time agreement, whatever else, so there is some understanding, given the fact there are many Senators who are interested in this matter.

Mr. DOLE. I will just say, what we are trying to do is finish the bill. All these amendments would fall if cloture is invoked. We could go out and have the cloture vote at 9:30 in the morning. I am not certain cloture would be invoked.

I think there has been some agreement. We heard the Conrad amendment, the Lieberman second-degree amendment, some agreement on the Simon amendment. As far as I am concerned, it is up to the managers. I think they are prepared to vote on all three. I do not know what order.

Mr. PRESSLER. I make a plea again to my friend from North Dakota, let us go to the Dorgan amendment for 20 minutes and vote on it, and meanwhile have intense discussions so we can cover everyone's needs. That would allow us to accomplish one more amendment. I think we are in a very friendly position trying to work this out.

Mr. FORD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, could we have the unanimous consent request agreed to by the chairman of the committee, the manager of the bill, that we go to Conrad-Lieberman and then go to Simon without putting a time limit on it?

I ask unanimous consent that following the motion by the distinguished chairman, that the Conrad-Lieberman amendment be next in order and the Simon amendment follow that with any second-degree amendment in regard to it.

Mr. PRESSLER. Reserving the right to object. I appreciate what the Senator is doing. We also have to work in an agreement for debate on the Simon-Dole amendment, if that is to occur.

Mr. FORD. There is no agreement as far as time is concerned. I recognize the majority leader would have the right to second-degree the sense of the Senate, if that is what he wants to do. You are getting a pecking order here. A time agreement has not been worked out. The majority leader would not need much time.

Mr. DOLE. If the Senator will yield, we can have the vote on the Dorgan amendment and work this out during the vote.

Mr. FORD. I was trying to work it out so my colleagues on this side will be accommodated. I know the majority leader is trying to do that. We want to

get the bill finished as much as he does. If my friends from North Dakota and Illinois are satisfied, I will be glad to yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, may I inquire, is there then before us a suggestion by the Senator from Kentucky that we hear from Senator Simon after the Dorgan amendment has been offered, and then we would vote on the Lieberman amendment, then we would vote on the Conrad amendment, then we would vote on whatever amendments will be offered by Senator Simon and Senator Dole?

Mr. PRESSLER. I do not know. We all need to have a little meeting about that and work that through. Is it possible to go to the Dorgan amendment for the 20 minutes, get that voted on, and during that time, when people are speaking on it, we will try to work all this out in good faith? And I will act in very good faith.

Mr. CONRAD. All right.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Reserving the right to object. I have not yet spoken on my amendment because I had to leave for another meeting. I am to speak for 10 minutes. I would like to reserve 5 minutes for Senator Helms as a cosponsor. He is not in the Chamber at the moment, but I think he would like some time.

The PRESIDING OFFICER. Is there objection?

Mr. PRESSLER. He is in the Cloakroom and ready to go.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Dakota.

Mr. DORGAN. My understanding is we have a unanimous-consent agreement for 20 minutes. My understanding is I will take 10 minutes and 5 minutes is reserved for the Senator from North Carolina, Mr. Helms.

AMENDMENT NO. 1278

Mr. DORGAN. Mr. President, my amendment is very simple. The legislation that comes to the floor of the Senate changes the ownership rules with respect to television stations. We now have a prohibition in this country for anyone to own more than 12 television stations comprising more than 25 percent of the national viewing audience.

My amendment restores the 12-television-station limit and the 25-percent-of-the-national-audience limit. Why do I do that? Because I think the proper place to make that decision is at the Federal Communications Commission. They are, in fact, studying those limits, and I have no objection to those studies. I think that they are useful to do because we ought to determine when is there effective competition or when would there be control or concentration such that it affects competition in a negative way.

But I do not believe that coming out here and talking about competition,

competition being something that benefits the American people in this legislation on telecommunications, and then saying, "By the way, we will essentially restrict competition by allowing for great concentration in ownership of television stations," represents the public interest.

I can understand why some want to do it. I can understand that we will end this process with five, six, or eight behemoth corporations owning most of the television stations in our country. But, frankly, that will not serve the public interest.

Mr. President, I respectfully tell you the Senate is not now in order.

The PRESIDING OFFICER. Will the Senate please come to order? We will not continue until the Senate has come to order. The Senator from North Dakota will proceed.

Mr. DORGAN. Mr. President, the Senate is not yet in order. I do not intend to proceed until the Senate is in order.

The PRESIDING OFFICER. Those wishing to continue their conversations, please take them off the floor. The Senator from North Dakota.

Mr. DORGAN. Thank you, Mr. President.

Mr. President, raising the national ownership limits on television stations resulting in concentration of corporate ownership of television stations in this country will represent, in my judgment, a dramatic shift in power from the local affiliates in our television industry to the national networks. The provision in this bill threatens, in my judgment, local media control, both in terms of programming and in terms of news content, in favor of national control.

One of the amendments that will follow me will be an amendment on television violence. I will tell you how to make television more violent, especially in terms of the local markets, and that is have your local television station sold to the networks, and there will not be any local control or discussion about what they are going to show on that local television station, because it will not be a local station anymore. You will remove local control, you will remove local decisionmaking, you will concentrate ownership in the hands of a few and, in my judgment, that is simply not in the public interest.

These changes will result in a nationalization of television programming and the demise of localism and program decisions made at home in local areas.

The bill changes of broadcast ownership rules that now exist at the Federal Communications Commission will lead to greater concentration and less diversity. I, for the life of me, cannot understand being on the floor of the Senate for 5 or 6 days talking about competition and deregulation being the engine of competition in our country and then seeing a provision in a bill like this that says, "Oh, by the way, you know

that limit that limits somebody to no more than 12 television stations, you can own no more than 12 television stations in the country; by the way, that limit is gone. You can own 25 television stations; in fact, buy 50 of them if you wish; just fine."

Well, it is not fine with me.

Concentration does not serve the public interest. Go read a little about Thomas Jefferson. Read a little about what he thought served the public interest in this country—broad economic ownership serves the public interest in America. Broad economic ownership serves the free market and serves the interests of competition. Not concentration. Not behemoth corporations buying up and accumulating power and centralizing power, especially not in this area.

I know outside of our doors are plenty of people who want this provision. It is big money and it is big business. I am telling Senators the country is moving in the wrong direction when it does this.

There are not many voices that cry out on issues of antitrust or issues of concentration. There are not many voices raised in the public interest on these issues. I just cannot for the life of me understand people who chant about competition and chant about free markets, who so blithely ignore the threats to the free market system that come from concentration of ownership. I feel very strongly that the provision in this bill that eliminates the restriction on ownership is a provision that is bad for this country.

Senator SIMON from Illinois, I know, has probably spoken on this, and is a cosponsor of this amendment; and Senator HELMS from North Carolina. Maybe we are appealing to the schizophrenics today. Somebody on that side of the aisle who has a vastly different political outlook on things than I do, but, frankly, my interest in this is not the economic interests of this conglomerate or that conglomerate or that group, it is the interest of the public.

The public interest is served in America when there is competition and broad-based ownership. The public interest, in my judgment, is threatened in this country, especially in this area, when we decide it does not matter how much you own or who owns it.

We have always served the interests of our country in this area by limiting ownership. I think we serve the interests again if we pass my amendment and restore those sensible provisions in communication law that restrict the ownership of television stations to no more than 12, reaching no more than 25 percent of the American populace.

Mr. President, I have agreed to a time limit. This is a piece of legislation that on its own should command a day's debate. It is that important to our country. Yet it is reduced to 20 minutes because we are in a hurry and we are busy.

My hope is that people who look at this will understand the consequences

of what we are doing. I am delighted that the Senator from North Carolina and some others feel as I do, that there is a way to restore a public interest dimension to this bill by passing this amendment this afternoon.

I yield the floor.

I yield 5 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina controls 5 minutes.

Mr. HELMS. Mr. President, as a former executive at a television station, I am an enthusiastic supporter of the Dorgan amendment which is now pending. This amendment would ensure that local television news and programming decisions remain in the hands of local broadcasters.

It is a worthy amendment. The Senate ought not to hasten to vote to table it. I will tell Senators why.

There is now a delicate balance of power between the network and their affiliates. I am concerned that if we allow the networks to acquire even more stations, the balance will be unwisely tilted. Media power should not be concentrated in the hands of network broadcasters. I say this as a former broadcaster who has been there.

The networks will kick the dickens out of an affiliate if the affiliates do not toe the line. On one occasion, my television station switched networks because of the dominance of an overbearing network. It was one of the smartest decisions we ever made. This bill increases what is known as the national audience cap from the current 25 percent to 35 percent. I oppose this increase, because it will allow the networks to acquire more stations. This, in turn, could very well increase domination by the networks and enhance their ability to exercise undue control of television coverage on local events and news reports.

Mr. President, I am also concerned about the negative impact of allowing cable companies to buy television stations. Consider, if you will, the possibility that Time Warner might buy up local cable station companies and local television stations.

The Dorgan amendment, which I cosponsor, restores, one, the 25 percent audience cap; and two, the restriction on cable broadcast cross-ownership.

If Congress increases the audience cap and thus the number of stations a network can acquire, it will be more difficult for a local affiliate to preempt a network program.

Mr. President, affiliates serve as a very good check against the indecent programs being proliferated these days by the networks. The "NYPD Blue" program is an example. Many affiliates consider this show to be too violent and otherwise unacceptable because of its content of offensive material. When the affiliates objected to the program, the network lowered the boom. There are too many indecent, sexually explicit programs on television already.

Some time back, Mr. President, I sponsored an amendment to restrict

the level of indecent material on television. Guess who fought that amendment down to the ground and fought it in the courts? Of course, the networks. The networks resent being limited in the amount of indecent material they can pump out over the airwaves. Do we really want to give the networks more power? I say no, and the Dorgan amendment says no.

The children of America, have spoken out about indecent material. In a recent survey, 77 percent of the children polled said TV too often portrays extramarital sex, and 62 percent said sex on television influences children in that direction.

Mr. President, affiliate stations often preempt programming and carry instead regional college sports and such things as Billy Graham's Crusade. These are important programs, and they should not be inhibited by network power.

We should not concentrate too much power in the hands of four national networks. The current provision in S. 652 would make possible just that kind of concentration. If this ownership rule had not been in place 10 years ago, the Fox Network could never have been created.

Local stations must have the freedom in the future to create and select and control programming, other than programming provided by the networks.

I urge Senators to support this amendment to restore local control of broadcasting decisions. I reserve the balance of my time.

Mr. PRESSLER. Mr. President, I rise in opposition to this amendment.

I believe we have reached a point where, through competition, we can achieve more than by Government regulation to keep certain competitors down.

I rather doubt that any one competitor is going to get a huge dominance in the American television market, because we have so many competitors. We have an increasing number.

When we have dial video, cable, PBS, the networks, I have here listed before me, the percentage of national coverage now by the top TV groups, they will face increasing competition.

Frequently, business comes to Washington seeking regulation to avoid competition. To those people who want to put arbitrary limits on how much success one company can have, I would say that they should be prepared to compete.

Now, a 25-percent limitation may well force some groups or individuals or companies to operate regionally, or to seek a niche market.

I believe we have enough competition to give a variety of voices. That is particularly true if we pass this bill. There will be an explosion of new services and alternatives.

In fact, I would even raise the limit to 50 percent or higher if I were doing it myself. The Commerce Committee worked out a 35-percent compromise—

the Democrats and Republicans—on the committee, as well as in consultation with many other Senators.

I think 35 percent is a good compromise for the Senate. I expect that the House will probably come with 50 percent. I look upon going back to 25 percent as a move away from competition.

Why not 20 percent? Why not 10 percent? Why not 15 percent? All these percentages are anticompetitive, because it is businessmen coming to Washington who are seeking regulation to keep their competitors out. What they need to do is to compete, and they will find that they will do well.

Mr. President, the broadcasters in cable are not the only means by which video programming, for example, is distributed to consumers. More than 2 million households receive programming utilizing backyard dishes, availing them of numerous free services.

SMATV services are utilized by another million subscribers, wireless cable has attracted over half a million subscribers.

Recently direct broadcast satellite systems began offering very high-quality services. It is estimated that these services will attract more than 1 million subscribers in 1995.

Looming large on the fringes of the market are the telephone companies. The telephone companies pose a very highly credible competitive threat because of their specific identities, the technology they are capable of deploying, the technological evolution their networks are undergoing for reasons apart from video distribution, and, last but by no means least, their financial strength and perceived staying power. In 1993, the seven regional Bell operating companies [RBOC's] and GTE had combined revenues in excess of \$100 billion. All of the major telephone companies in the United States have plans to enter the video distribution business, and several are currently striving mightily to do so in the face of heavy cable industry opposition, opposition which speaks for itself in terms of the perceived strength of the competition telephone companies are expected to bring to bear.

Recently three of the RBOC's—Bell Atlantic, Nynex, and Pacific Telesis—announced the formation of a joint venture, capitalized initially to the tune of \$300 million, for the express purpose of developing entertainment, information and interactive programming for new telco video distribution systems. This group has hired Howard Stringer, formerly of CBS, to head the venture and Michael Ovitz of Creative Artists Agency of Los Angeles to advise on programming and technology. A key aspect of this effort is development of navigator software that eventually could replace VCR's and remote control units to help customers find programs and services. Three other RBOC's—BellSouth, Ameritech, and SBC Communications are forming a

joint venture with Disney, with a combined investment of more than \$500 million during the next 5 years. The goal of this venture is specifically to develop, market and deliver video programming.

On top of all this activity involving the creation of new distribution paths and delivery of new entertainment and information services to the home, there has been a simultaneous revolution in the sophistication of the communications equipment employed in the home. Today more than 84 million U.S. households have VCR's. In 1994, U.S. households spent as much money purchasing and renting videos, \$14 billion, as the combined revenues of all basic cable, \$4.6, and the three established broadcast networks, \$9.4, in 1993. In 1994, 37 percent of U.S. households owned personal computers. In 1993, estimated retail sales of North American computer software sales were \$6.8 billion.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PRESSLER. Mr. President, I move to table the amendment.

The PRESIDING OFFICER. Time remains to the sponsors.

Mr. HELMS. Mr. President, all time has not been yielded back.

The PRESIDING OFFICER. The Senator from North Carolina is correct.

Mr. PRESSLER. I move to table the amendment.

Mr. HELMS. I wish to speak for 60 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent the aspect of the unanimous consent requiring a tabling motion be vitiated and that we have an up-or-down vote on this amendment.

The PRESIDING OFFICER. Is there objection?

Mr. PRESSLER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from North Carolina does not control sufficient time to do that. All time must be yielded back at this point for a quorum call to be in order.

Mr. HELMS. Please repeat that.

Mr. PRESSLER. I move to table.

The PRESIDING OFFICER. The Senator from North Carolina does not control sufficient time to call for a quorum. All time would have to be yielded back in order for a quorum call.

Mr. HELMS. I did not use all of my time, that 60 seconds. I reserve that so I can suggest the absence of a quorum at that time.

The PRESIDING OFFICER. The Senator from North Dakota has 2 minutes 55 seconds remaining.

Mr. DORGAN. Mr. President, I yield 1 minute to the Senator from Illinois, Senator SIMON.

Mr. SIMON. Mr. President, I support the Dorgan amendment for the reason Senator DORGAN and Senator HELMS

have outlined, but one other important reason. Economic diversity is important, but diversity in terms of news sources for the American people is extremely important.

I used to be in the newspaper business. Fewer and fewer people own the newspapers of this country. We are headed in the same direction in television. It is not a healthy thing for our country. I strongly support the Dorgan amendment and agree completely—it is not often I can stand up on the Senate floor and say I agree completely with Senator JESSE HELMS, but I certainly do here today.

Mr. HELMS. Right on.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Has all time been yielded back except for my time?

The PRESIDING OFFICER. The Senator has 14 seconds remaining.

Mr. HELMS. Is there any other time outstanding?

The PRESIDING OFFICER. The Senator from North Dakota has 2 minutes remaining.

The Senator from North Dakota.

Mr. DORGAN. Let me use just a minute of that. If the Senator from North Carolina needs another minute, I will be happy to yield to him. There is not much remaining to be said.

As I indicated earlier, this could be a discussion that should take a day and we are going to compress it into 20 minutes. If you look at the landscape of ownership of our television stations 10 years or 20 years from now, you will, in my judgment, if you vote against this amendment, regret the vote. Because I think what you will see is that at a time when we brought a bill to the floor talking about deregulation and competition, we included a provision in this bill that will lead to concentration of ownership in an enormously significant way in the television industry in this country, and I do not think it is in the public interest.

That is the position the Senator from Illinois took, the position the Senator from Nebraska discussed, and the Senator from North Carolina, too. I feel so strongly this is a mistake I just hope my colleagues will take a close, hard look at this and ask themselves, if they are talking about competition, if they are talking about local control, if they are talking about diversity, do they not believe it is in the public interest to have broad-based economic ownership of television stations spread around this country? Of course they do.

Do they want to see a future in which a half dozen companies in America own all the television stations and local control is gone, diversity is gone? I do not think so. And that is exactly what will happen if my amendment is not enacted.

So I very much hope my colleagues will understand the importance of this amendment despite the brevity of the debate.

Does the Senator from North Carolina need additional time?

Mr. PRESSLER. Mr. President, I ask unanimous consent the request to table this amendment be vitiated.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HELMS. No, no. What was the unanimous consent request?

The PRESIDING OFFICER. To vitiate the motion to table.

Mr. PRESSLER. Mr. President, I ask unanimous consent—the Senator from Montana has just arrived. He wishes to speak on this. All of my time is used, but I ask unanimous consent Senator BURNS be given 5 minutes to speak on this.

I have made the request to vitiate the yeas and nays.

Mr. HELMS. I thank the Senator.

Mr. PRESSLER. The Senate will vote in 5 minutes, but I also ask unanimous consent Senator SIMON be recognized—following this upcoming vote, Senator SIMON be recognized to speak for up to 10 minutes.

Mr. DORGAN. Mr. President, reserving the right to object.

Mr. PRESSLER. I have more to it. I will go on. I was hoping to get that approved. Relax. It is coming.

I ask unanimous consent that following the remarks of Senator SIMON, the Senate resume consideration of the Conrad amendment No. 1275 and there be 20 minutes for debate to be equally divided in the usual form; and that following the conclusion or yielding time, I be recognized to make a motion to table the Conrad amendment.

Mr. DORGAN. Mr. President, reserving the right to object, may I inquire, is there additional time left on my original time allocation?

The PRESIDING OFFICER. The Senator from North Dakota still controls 15 seconds. The Senator from North Carolina has 14 seconds left.

Mr. DORGAN. Mr. President, if the Senator from Montana is going to be given by unanimous consent 5 minutes to address this subject in opposition to this amendment, then I ask we be added an additional 5 minutes.

Mr. PRESSLER. I point out as manager of the bill I cut my time down to about 4 minutes to speak against it, to try to keep things moving. But I think the Senator from Montana is so eloquent that his argument—

Mr. DORGAN. If the Senator from Montana wishes to speak in favor of my amendment, I would have no objection.

Mr. SIMON. Parliamentary inquiry. Have we disposed of the unanimous consent request of Senator PRESSLER?

Mr. PRESSLER. I further ask that Senator SIMON be recognized following the disposition of the Conrad amendment No. 1275. Does that take care of the Senator? Then we have all the problems taken care of.

Mr. LEAHY. Reserving the right to object, I note for Senators it is customary if at the time—it has been a long custom here—if all time has expired and somebody asks for additional

time to speak on something that is about to be voted on, it is customary to ask for an equal amount of time for somebody on the other side. They may or may not use it, but that is the customary practice.

Mr. PRESSLER. Fine. I will point out I gave the opposition 15 minutes. I just took 5 to try to move this thing along. But, fine, we will give each side 5 more minutes.

I ask unanimous consent that occur.

The PRESIDING OFFICER. Without objection, it is so ordered. Is that to be added to the 14 seconds remaining of the Senator from North Carolina and the 15 seconds remaining to the Senator—

Mr. PRESSLER. To the 14 seconds and 15 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Montana.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Did we also grant the unanimous consent request for the rest of the sequencing that the Senator indicated? That was done also?

The PRESIDING OFFICER. Yes, it was.

Mr. BURNS. I ask the Senator from New Mexico, did he want to speak in opposition to this?

Mr. DOMENICI. No; I am afraid if I were to speak, I might not speak in opposition, so I do not choose to speak.

Mr. BURNS. That is fine.

The PRESIDING OFFICER. The Senator from Montana has 5 minutes.

Mr. BURNS. Mr. President, I shall not take 5 minutes. I would say the way the trend has been in radio and television station ownership in the last 5 or 10 years, this actually, I think, would stymie any development of further stations in the market.

I rather doubt that any one owner wants to own both radio stations or three television stations in the market of Billings, MT. I do not think they want to own all of them. We are not talking about just network stations; we are talking about independent stations. We are talking about stations that are not affiliated with any kind of a network on the limits of ownership that you can have in a specific market but across the Nation.

So, I am going to yield my time back. I am opposed to this amendment just for the simple reason of its effect on the sale of a station. When one retires or wants to sell a station, then you are going to have to go over and maybe you have a willing buyer that will give so much money for it and then that is closed out because he already owns too many stations? Maybe nobody else wants to get into the broadcast business. This also limits your ability to market a station, if you are lucky enough to own one.

This does not pertain just to television stations. This also pertains to radio stations, radio stations as well as television stations.



So I would oppose this amendment and I ask my colleagues to oppose it also.

I yield the floor and reserve the remainder of my time.

## EXECUTIVE SESSION

### EXECUTIVE CALENDAR

Mr. PRESSLER. Mr. President, in executive session, I ask unanimous consent that the Senate immediately proceed to the consideration of the following Executive Calendar nominations:

Calendar No. 175, Robert F. Rider; Calendar No. 176, John D. Hawke, and Calendar No. 177, Linda Lee Robertson.

I further ask unanimous consent that the nominations be considered en bloc, the motions to reconsider be laid upon the table en bloc, that any statements relating to the nominations appear at the appropriate place in the RECORD, that the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed en bloc, as follows:

#### U.S. POSTAL SERVICE

Robert F. Rider, of Delaware, to be a Governor of the United States Postal Service for the term expiring December 8, 2004. (Reappointment)

#### DEPARTMENT OF THE TREASURY

John D. Hawke, Jr., of New York, to be Under Secretary of the Treasury.

Linda Lee Robertson, of Oklahoma, to be a Deputy Under Secretary of the Treasury.

### LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

### THE TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

The Senate resumed with the consideration of the bill.

#### AMENDMENT NO. 1278

Mr. DORGAN. Mr. President, I yield 2 minutes to the Senator from Nebraska, Senator KERREY.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, thank you.

As I indicated earlier, this amendment simply conforms with the underlying theme of S. 652 which is that if we have competition the consumers will benefit. The current language of the bill moves us in the direction of less competition. You cannot go from 25 percent ownership of stations in a service area to 35 percent without decreasing the competition. Inescapably the consequence is decreasing the number of broadcast owners in a particular area.

So, in addition to the localism argument, which was very eloquently made by both the Senator from Illinois and the Senator from North Carolina, the important issue when you are dealing with news—I point out a very important issue—when you are dealing with the question of how does the electorate, how does the public, how do the citizens themselves acquire information, is the issue of concentration of ownership. That is a very important issue.

So in addition to the idea that this shifts us away from local control of stations, there is also the very important idea of concentration in the industry, and lack of competition. It is highly likely that companies that we currently see as networks, or companies that we currently see as broadcasters, will be coming in at the local level saying we would like to provide what we previously regarded as dial tone and vice versa. This whole thing is going to get jumbled up in a hurry. As the Senator from South Dakota said several times, we allow people to get into each other's business. That is basically what the bill does.

So I hope Members who want competition, who want the consumers to benefit from that competition, will support the Dorgan amendment.

Mr. DORGAN. Mr. President, I will not use all of the remaining time. I am going to send a modification to the desk.

If I might have the attention of the Senator from South Dakota, who I think is now looking at the modification, the modification is purely technical in order to conform the amendment to the manner in which the underlying bill is drafted.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. I have a right to modify the amendment without consent.

Mr. PRESSLER. We have a problem with one portion, which is to modify or remove such national or local ownership of radio and television broadcasting.

Mr. DORGAN. Radio has never been a part of the amendment that we offered today. It was not intended to be a part. I described the amendment earlier today as only affecting television stations. That is the intent of the amendment.

Mr. PRESSLER. In the amendment we have national or local ownership of radio and television broadcasting.

Mr. DORGAN. It is not the intent of the amendment to include radio. It is the intent to only include television, and that is the way I described it earlier today just after the noon hour.

Mr. PRESSLER. As I understand it, every Senator can modify his amendment at any time. That changes the amendment based on my understanding. The amendment I have in my hand reads radio and television broadcasting.

Mr. DORGAN addressed the Chair.

Mr. PRESSLER. A Senator has a right to modify his amendment.

The PRESIDING OFFICER. The Senator from North Dakota needs to ask unanimous consent in order to modify his amendment.

Mr. PRESSLER. In view of the fact that the amendment I have in my hand is to modify or remove such national or local ownership of radio and television broadcasting, and just on the very moment of the vote to take out radio, and I want to consult with some of my colleagues, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COVERDELL). Without objection, it is so ordered.

Mr. DORGAN. Mr. President, my understanding of the parliamentary situation is that once all time is yielded back, under the unanimous-consent request, I would then be allowed to modify my amendment, which I sought to do. Is that correct?

The PRESIDING OFFICER. It still would require unanimous consent to proceed under that scenario.

#### AMENDMENT NO. 1278, AS MODIFIED

Mr. DORGAN. Mr. President, I ask unanimous consent that I be allowed to modify my amendment, and I send the modification to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. BURNS. Mr. President, I reserve the right to object.

I have 2 minutes remaining. In order to accommodate my friend from North Dakota, I would yield back the remainder of my time so that will put his request to modify in correct parliamentary procedure. Is that a correct assumption?

The PRESIDING OFFICER. It will not be necessary for the Senator to yield back time in order for the unanimous-consent modification of the amendment.

Mr. BURNS. Then I reserve the remainder of my time.

I thank the Chair.

The PRESIDING OFFICER. Is there objection to the request to modify the amendment? Without objection, it is so ordered.

The amendment (No. 1278), as modified, is as follows:

Strike paragraph (1) of subsection (b) of Section (207) and insert in lieu thereof the following:

“(1) REVIEW AND MODIFICATION OF BROADCAST RULES.—The Commission shall:

“(A) modify or remove such national and local ownership rules only applying to television broadcasters as are necessary to ensure that broadcasters are able to compete fairly with other media providers while ensuring that the public receives information from a diversity of media sources and localism and service in the public interest is protected taking into consideration the economic dominance of providers in a market and